



ANNUAL REPORT

2014/2015 FINANCIAL YEAR

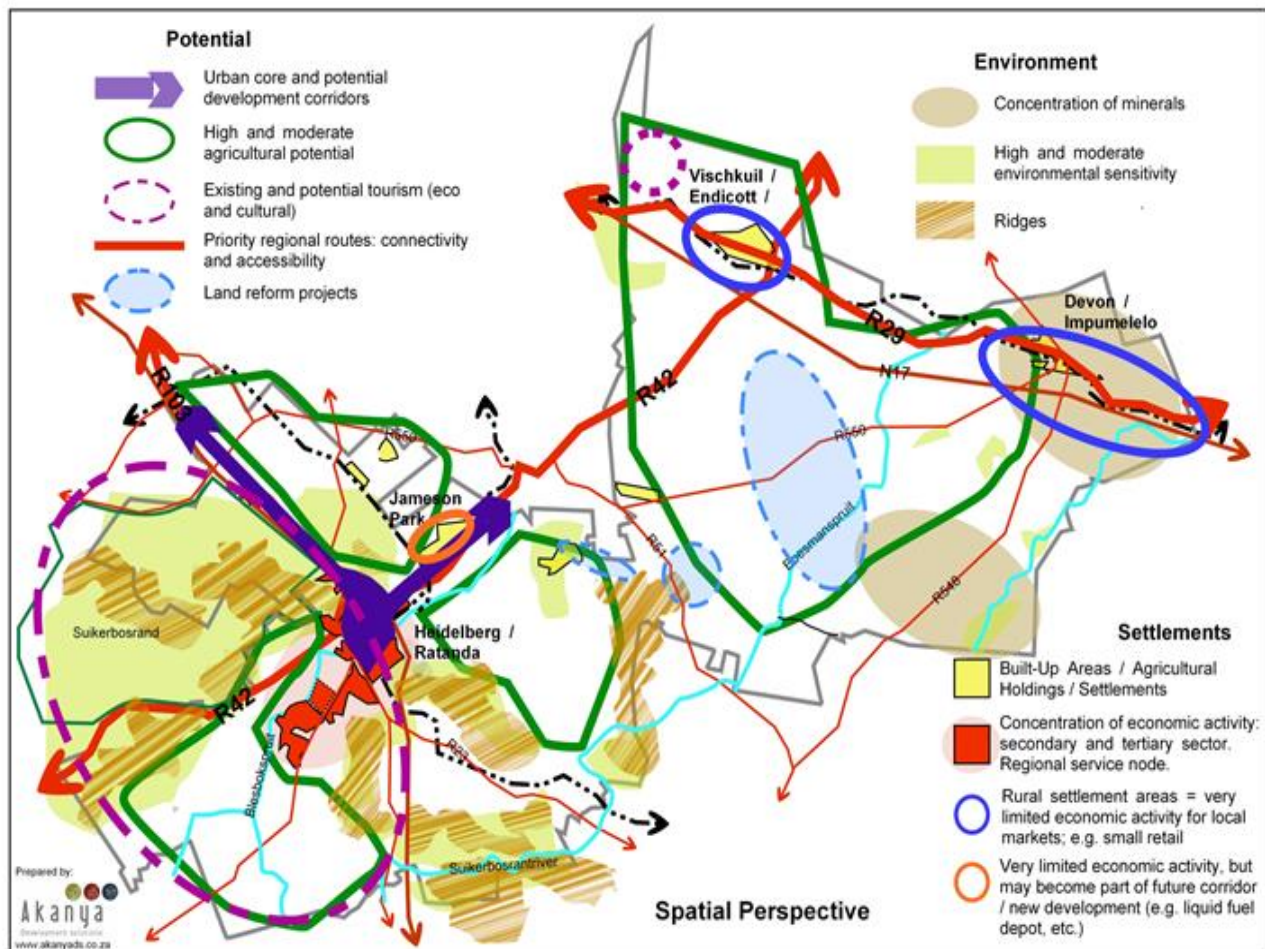


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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

Presenting yet another annual report of Lesedi Local Municipality is indeed a great privilege and honour.

This annual report presents the contents of a collaborative effort between Councillors, municipal officials, communities and all our key stakeholders.

It presents all of our efforts and tireless work in creating, sustaining and scaling change in the lives of the ordinary citizens of our municipality.

At the beginning of the reporting year we made it our endeavour to stick to the electorate mandate and the priorities of our communities as contained in our institution’s Integrated Development Plan while building on the successes of the preceding financial years.

Sticking to the electorate mandate and priorities of our community required of us to adhere to the local government election manifesto, which is a political commitment to address many challenges faced by our communities. Local government and communities face major challenges, which are reducing unemployment, more access to better quality basic services, overcoming the legacy of apartheid spatial development, strengthening community participation, and building effective, accountable and clean local government.

The year past financial year has been an eventful year with much activity from all the role-players in Lesedi Local Municipality to ensure we meet the goals that we have set for ourselves in our political programme.

In realising our mission of continuously improving and developing living conditions of our communities through provision of basic services, our IDP has been and will continue to be the guiding tool. It contains the priorities such as infrastructure development, development of local economic, job creation, social development, sports, arts and culture, community services, good governance and community participation as well as financial viability.

We have also endeavoured to align our budgets with our priorities, and ensured that we are much prudent with spending of the very limited financial resources at our disposal.

In ensuring that our municipality has adequate capacity to deliver to its optimal level, our staff also received necessary training in their own respective fields.

We will further continue ensuring that all the staff, inclusive of the lower levels, also receive training relevant to their posts and support in doing their work.

MAYOR'S FOREWORD

The year under review was however not without its own challenges and pitfalls, but from all those we were able to learn better lessons and picked ourselves up to ensure that our municipality rose up those demands and steers its ship forward.

Let me express the words of gratitude to the speaker, chief whip, all Councillors, Members of Mayoral Committee, Municipal Manager, Management and the staff of Lesedi Local Municipality as well as the whole community of Lesedi.

CLLR. Lerato Maloka

Executive Mayor

MUNICIPAL MANAGER'S FOREWORD

It is with gratitude that we can look back at the journey that began in 2012 and report on the progress made thus far. Once again, we were able to increase the liquidity levels of our municipality and as such its improved ability to deliver effective and efficient services whilst further sustaining internally funded projects.

Debt collection remains the focal point of our revenue generation and we have been able to close the year with a collection rate of 88% versus the billing. This is a shortfall by 7% when compared to our ambitious target of 95%, resulting in an overall net surplus of R4 354 495 for the financial year. This result is despite challenges associated with the Post Office strike, which resulted in our billing system being rendered ineffective for a three (3) month period. Our efforts have been further fortified by the data cleansing initiative that is resolving quite a serious number of under-billing matters, which on their own, are a major contributor to the current loss of municipal revenue.

Local economic development has received distinctive devotion to enhance our ability to provide the economic future and the quality of life for all. In this regard, we have adopted pro-poor intervention strategies, whilst remaining mindful of pro-growth, so that we are able to create a healthy balance between the private sector investments in our area with the enterprise development initiatives that should meaningfully enhance capacity in local enterprises through skills development and transfer. To this end, we are in the process of evaluating offers that should see Lesedi receiving an inoculation to its economy amounting to nearly R5 billion.

Arising from an organisational re-engineering strategy that was approved by council we have adopted a more flexible, responsive, efficient, and effective approach for our customers, employees and other stakeholders to ensure increased service delivery levels. In this regard, our visionary leadership based culture is being defined through the following core focus areas, namely:

- Client centricity;
 - Empowered employees;
 - Results orientation;
-

MUNICIPAL MANAGER'S FOREWORD

- Cross functional process orientation;
- Concurrent operations management; and
- Simple and streamlined processes.

Whilst we acknowledge that the aforesaid is a mammoth task, we have then prioritised the necessary and structured change management interventions for ensuring that changes are smoothly and successfully implemented to achieve lasting benefits. With our newly adopted approach, our expenditure, both on grants and internal funding, is at exceptionally acceptable levels. Access to basic services such as water supply, sanitation, waste removal and electricity are provided at acceptable levels.

Given the tasks ahead and as part of corporate governance imperatives, we have enhanced the oversight committees' ability to play their respective roles meaningfully, through resource allocation. Special mention is that of the audit committee and its reviewed charter, which has a clear mandate to assist the council in fulfilling its oversight responsibilities including, amongst others, financial reporting process, system of internal control and management of financial risks, audit process and compliance. Further, the organogram was reviewed to tackle the ever changing needs that we are faced with. A specific focus was on the augmentation of aptitude in the Supply Chain Management, Information Communication and Technology, Internal Audit and Monitoring & Evaluation functions.

Acting Municipal Manager
Isaac Rampedi

PREFACE

The financial years contained in this report are explained as follows:

- Year -1: The previous financial year;
- Year 0: The financial year of reporting;
- Year 1: The following year, mostly requires future targets; and

We wish to thank all relevant municipal employees for their inputs and support throughout the development of this document.

1.1. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

According to South African Census data, the total population of the Lesedi LM was 73 691 people in 2001, increasing by 25 829 people to 99 520 in 2011. This translates into an average annual growth rate of 3.1%. Assuming this rate of population growth has remained consistent since 2011, it is estimated that there are 109 573 people living in the Lesedi LM in 2014.

Population Details									
Age	2012/13			2013/14			2014/15		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4	5019	4943	9962	5019	4943	9962	6243	6168	12411
Age: 5 - 9	4245	4048	8293	4245	4048	8293	4745	4245	8990
Age: 10 - 19	8077	7828	15905	8077	7828	15905	8177	7873	16050
Age: 20 - 29	11064	9218	20282	11064	9218	20282	12910	9815	22725
Age: 30 - 39	8750	7271	16021	8750	7271	16021	9229	8456	17685
Age: 40 - 49	6179	5917	12096	6179	5917	12096	7314	6179	13493
Age: 50 - 59	4207	4423	8630	4207	4423	8630	4423	5449	9872
Age: 60 - 69	2400	2602	5002	2400	2602	5002	2400	2602	5002
Age: 70+	1379	1954	3333	1379	1954	3333	1379	1966	3345
Total			99524			99524			109573

Socio Economic Status					
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence
2014/15	15%	25%	11%	25%	12.4%
2013/14	15%	25%	11%	25%	11%
2012/13	15%	26%	11%	25%	11%

Overview of Neighbourhoods within Lesedi Local Municipality		
Settlement Type	Households	Population
Towns:		
Heidelberg	4000	10 500
Devon	580	2300
Heidelberg Ext 8, 9 and 10	2100	9300
Sub-Total	6680	22100
Townships		
Ratanda	8000	46 360
Heidelberg Ext 23 & 26	3000	15000
Heidelberg Ext 7 and 16	900	3500
Impumelelo	1600	7269
Jameson Park	468	1761
Sub-Total	13 968	73890
Rural settlements:		
Vischuil and Endicott	320	983
Kwazenzele	287	1900
Surrounding Farms	630	1500
Sub-Total	1237	4383
Informal settlements:		
Ratanda	1100	3500
Impumelelo	890	2700
Kwazenzele	1500	3000
Sub-Total	3490	9200
Total	25 375	109 573
Source: Stats SA (2011) and Quantec		

From the above statistics, it is evident that there has been steady improvement in the lives of the Lesedi Local Municipality residents.

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

1.2. SERVICE DELIVERY OVERVIEW

The Lesedi local Municipality provides affordable and acceptable quality of basic services to different categories of consumers within its area of jurisdiction. The provision of such services is a directive from different pieces of legislation which delegates powers and functions to the local Authority. The following services are rendered to different categories of consumers which includes, commercial businesses, schools, industries, recreational facilities, formal and informal settlements.

Type of Service Rendered by the Municipality:

- Potable Water Service
- Sanitation Service
- Refuse Removal Service
- Electricity Service
- Roads and Storm water Service

Potable Water Service:

All formalized settlements have access to potable water inside the yard or dwelling, while provision to informal settlements and Agricultural Holdings is through communal taps within

200m radius in terms of walking distance and water supply tanker service respectively. All registered indigent households have access to free basic water at 6kl per property per month.

Sanitation Service:

Formalized settlements have access to adequate sanitation services provided through water borne sewer system, while informal settlements are provided through traditional pit latrines, ventilated pit latrines and chemical toilets. Agricultural holdings and other farm areas are utilizing septic tanks.

Refuse Removal Service:

Refuse collection on formalized settlements is provided through weekly kerb cycle, while informal settlements are catered for through communal transfer containers. Street cleaning service is also rendered in the Heidelberg CBD.

Electricity Service:

All formalized households, Agricultural Holdings and Farms have access to electricity, provided by either by the Municipality or Eskom. The local authority does not supply electricity to informal settlements. All registered indigents have access to free basic electricity amounting to 50kWh per household per month.

Roads and Storm Water Service:

The Municipality have both the surfaced and gravel roads. The surfacing of gravel roads in line with the IDP is still a priority for the Municipality. Some areas which did not have proper surfaced roads have been attended to in line with a multiyear municipal roads program.

Overall performance for the provision of basic services (2014/15)

For the 2014/15 financial year the Municipality has extended the provision of basic services to new housing development Obed Nkosi phase two, by ensuring that water, sanitation and electricity as well as kerb cycle refuse removal service are provided to the low cost housing development. The expansion of access to basic services is in line with all statutory planning documents namely the Integrated Development Plan, Water Services Development Plan, Electricity Master Plan, Roads and Stormwater Master Plan and the Integrated Waste Management Plan.

The Municipality strives to ensure that residents within its locality have access to basic services as outlined in the constitution of the Republic of South Africa (Act 108 of 1996), furthermore it is acknowledged that access to basic sanitation is also a housing issue. The eradication of informal settlements housing programs are key in addressing access to basic services.

Proportion of Households with minimum level of Basic Service

LESEDI LOCAL MUNICIPALITY

	2011/12	2012/13	2013/14	2014/15
Electricity service connections	88%	90%	92%	92.2%
Water - available within 200 m from dwelling	90%	97%	99%	99.2%
Sanitation - Households with at least VIP service	85%	95%	98%	98.2%
Waste collection - kerbside collection once a week	80%	92%	94%	94.2%

Though the Municipality strives to accelerate access to basic services to all the residents within its locality, the prevalence of informal settlements emanating from migration is still a challenge. People migrate from rural to urban areas in search of better life and humane conditions, movement of people from the neighbouring countries into the Republic of South Africa also exert pressure on the existing infrastructure and actual budgeting for provision of basic services.

1.3. FINANCIAL HEALTH OVERVIEW

The municipality realised a surplus of R4, 3 million for the financial year and this was mainly due to the implementation of credit control and debt collection policy and the improved financial management within the municipality.

The municipality will continue to fully implement the policy and maintain the sound control environment during the 2014/15 financial year and to ensure improved, consistent and sustainable financial viability of the municipality.

Financial Overview: Year 2014/15			
R' 000			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	123,401	134,814	142,882
Revenue from exchange transactions	379,105	371,371	352,174
Property Rates	73,200	84,661	84,459
Public contribution and Donation	2,500	5,000	30,212
Fines	578,206	595,846	609,727
Sub Total	544,210	541,751	593,318
Less: Expenditure	33,996	54,095	16,409
Net Surplus	123,401	134,814	142,882

Operating Ratios	
Detail	%
Employee Cost	22%
Repairs & Maintenance	4%
Finance Charges & Impairment	14%

Employee Costs - 20% of total operating expenditure. This is 10% below the expected norm of 30% mainly due to vacancies during the financial year.

Repairs and maintenance costs - 3% of total expenditure. This appears very low when compared to expected norm and was in line with the budget for the financial year.

Finance charges and impairment costs - 13% of total expenditure. Debt impairment for the year amounted to R58.7 million and at an average collection rate of 88% for the financial year; 2% ahead of target of 88%. This was an improvement of R23.2 million from the prior financial year and was driven by rigorous implementation of the credit control and debt collection policy during the financial year. Debt impairment is driven by payment of services by the municipality's consumers.

Total Capital Expenditure			
R'000			
Detail	2013/14	2013/14	2014/15
Original Budget	67,664	62,493	47,650
Adjustment Budget	52,609	56,338	74,585
Actual	53,917	43,005	55,017

The municipality spent 66% of its Capital expenditure. 99% of all grants were spent except for the Municipal Infrastructure Grant (MIG) of R26 million. R16 million was transferred to the municipality and spent in full, however R10 million was arbitrarily not transferred to the municipality during March 2014 by National Treasury with them citing slow spending of the grant during the financial year. After various consultation meetings with the intervention of the Provincial Treasury, National Treasury committed to returning the funds to our municipality during the 2014/15 financial year through their adjustment budget processes.

Of the own funded Capital expenditure the municipality spent 80.2% (R9 million) compared to a budget of R1, 3 million. This was in line with the collection rate of 88% for the financial year as own funded projects depend on the extent to which the municipality is able to collect its revenue.

1.4. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT: 2014/2015 FINANCIAL YEAR

The municipality maintained an unqualified audit opinion with findings on pre-determined objectives and compliance with laws and regulations.

The Final Management Report is attached as Annexure A of this report.

1.5. STATUTORY ANNUAL REPORT PROCESS

Annual Report Process		
N o.	Activity	Timeframe
1.	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2.	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3.	Finalize the 4th quarter Report for previous financial year.	
4.	Submit draft year 2013/14 Annual Report to Internal Audit and Auditor-General.	
5.	Municipal entities submit draft annual reports to the Municipal Manager.	
6.	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant).	August
7.	Mayor tables the unaudited Annual Report.	
8.	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
9.	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase.	
10.	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data.	September-October
11.	Municipalities receive and start to address the Auditor General's comments.	November
12.	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report.	
13.	Audited Annual Report is made public and representation is invited.	
14.	Oversight Committee assesses Annual Report.	December
15.	Council adopts Oversight report.	
16.	Oversight report is made public.	
17.	Oversight report is submitted to relevant provincial councils.	
18.	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input.	January

The Final Annual Report will be submitted and to the chairperson of the oversight committee in line with National Treasury guidelines.

Measures such as the creation and capacitation of the performance management unit in the office of the Municipal Manager have been put in place to ensure appropriate monitoring and reporting.

CHAPTER 2 - GOVERNANCE

2.1 GOVERNANCE

Proper distinction has been made between role players conducting governance in the municipality. This distinction is essential because each group on the level of governance has specific responsibilities and therefore specific roles to play for which they are accountable. In accordance with the Municipal Systems Act (Act 32 of 2000), these roles should be subjected to performance and risk management and eventually to internal and external audit to verify the processes and the outcomes.

Councilors are elected by the community and therefore the community members hold Councilors responsible for service delivery and the implementation of Batho Pele Principles. The administration is appointed to execute the resolution of the Council and the administration is accountable to Council. There is an approved Performance Management System of the municipality. Roles and responsibilities as outlined in the planning documents of the council (IDP, Budget & SDBIP) are cascaded down to key employees of the municipality. The implementation thereof is monitored and reviewed on a quarterly basis. The performance outcomes against pre-determined targets reflect in two (2) six-monthly cycle reports.

POLITICAL AND ADMINISTRATIVE GOVERNANCE

The municipality as indicated in the Constitution of the Republic of South Africa in terms of section 151 (3) has established structures as required by Municipal Structures Act to govern its affairs. The municipality comprises of 26 councillors.

- Executive Mayor
- Speaker
- Five (5) members of Mayoral Committee
- Thirteen (13) Ward Councillors

Through the delegated powers of authority the oversight responsibility is shared amongst the established council committees e.g. section 80/79.

The Municipal Manager is central in ensuring that the roles and the responsibilities of these structures of the municipality are implemented as outlined in the Municipal Systems Act, Municipal Structures Act and other related legislation. Included in his office is the Monitoring and Reporting function which deals with Performance and Risk Management as well as Internal Audit for the provision of assurance services.

2.2 POLITICAL GOVERNANCE

Key committees in Lesedi Local Municipalities are the following:

- Municipal Council
- Mayoral Committee
- Five Section 80 Committees
- Two Section 79 Committees i.e. MPAC and Petitions
- Performance and Audit Committee
- Remuneration Committee

We want to confirm that all the aforesaid Committees are fully functional.

POLITICAL STRUCTURE



MAYOR
(Cllr L F Maloka)

Functions

- Identify the needs of the municipality
- Review and evaluate these needs in order of priority;
- Recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan (IDP)
- Recommend or determine the best methods, including partnership and strategies, programmes and services to the maximum benefit of the community.



SPEAKER
(Cllr T S Moremi)

Functions

- Ensure that the council meets at least quarterly;
- Preside at meetings of the council;
- Maintain order during meetings;
- Ensure compliance in the council committees with the code of conduct set out in schedule 1 of the local government: municipal systems act, no. 32 of 2000;
- Ensure that council meetings are conducted in accordance with the rules and orders of the council.

MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE



Cllr VA Madonsela
Development &
Planning



Cllr T Tsoku
Finance



Cllr SM Sibeko
Infrastructure Service



Cllr ST Makhubu
Community Services



Cllr A Mokonane
Corporate Services



Cllr. LF Maloka
EXECUTIVE MAYOR



Cllr. TS Moremi
COUNCIL SPEAKER

WARD COUNCILLORS



Cllr. MP Mtshonyane
WARD 1 - ANC



Cllr. LJ Mokoena
WARD 2 - ANC



Cllr. TE Ramothibe
WARD 3 - ANC



Cllr. LL Batshege
WARD 4 - ANC



Cllr. SD Mkhwanazi
WARD 6 - ANC



Cllr. J Phalane
WARD 7 - ANC



Cllr. RS Loubser
WARD 8 - DA



Cllr. G Holtzhausen
WARD 9 - DA



Cllr. Adv. GL Coetzee
WARD 10 - DA



Cllr. MK Rakitta
WARD 11 - ANC



Cllr. BA Simelane
WARD 12 - ANC



Cllr. NK Vilakazi
WARD 13 - ANC



LESEDI Local Municipality COUNCILLORS

MEMBERS OF THE MAYORAL COMMITTEE



Cllr. A Mokonane
Corporate Service



Cllr. TB Tsoku
FINANCE &
ADMINISTRATION



Cllr. AV Madonsela
LOCAL ECONOMIC
DEVELOPMENT &
PLANNING



Cllr. ST Makhubu
COMMUNITY SERVICES



Cllr. SM Sibeko
SERVICE DELIVERY

PR - COUNCILLORS



Cllr. EM Dlamini
PR - ANC
CHIEF WHIP



Cllr. MNR Nkosi
PR - ANC



Cllr. RCA EBERWEIN
PR - ANC



Cllr. JM Lekala
PR - DA



Cllr. M Mulder
PR - DA



Cllr. RS Hlatwayo
PR - DA



Cllr. M Boshoff
PR - FF

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART 1)

3.1 ADMINISTRATIVE GOVERNANCE

The Administrative Pillar is comprised of the Municipal Manager, five (5) Executive Managers responsible for the various respective departments.

In conjunction with the Council's leadership, the municipal manager's role is to drive the vision, mission and strategic direction of Lesedi as articulated in the Integrated Development Plan (IDP) of the municipality; Develop and implement business objectives, performance targets and operational efficiency of the Municipality; Set the tone at the top of the administration regarding the organisation's ethics, code of conduct and values; Provide leadership in the budgeting process guided by informed projections of revenues and expenditures, as well as oversee sound financial management and controls; Develop, foster, maintain and review key and strategic relationships with key stakeholders; Maintain an effective and reliable risk management and governance process and systems, Ensure the maintenance of a monitoring and evaluation function and processes to monitor all activities, programmes and projects; & Ensure compliance and adherence to the applicable legislation, regulations, policies and rules impacting on local government.

Items or reports are generated from departments and are tabled before the Senior Management Team (SMT). Items or reports agreed in this meeting are further tabled before the different Section 80 Committees and to the Mayoral Committee. The Mayoral Committee resolutions and recommendations are tabled before the Council. All decisions taken are implemented accordingly.

ORGANISATIONAL STRUCTURE



3.2. INTERGOVERNMENTAL RELATIONS

Lesedi Local Municipality operates within the prescripts of the Democratic Constitution of South Africa, 1996 where local government is one of the spheres of government. The promulgation of the Intergovernmental Relations Act provides a regulatory framework within which all the spheres of government interact.

The Municipality is not excluded and fully participates in all the intergovernmental structures that operate nationally. These structures enable the Municipality to contribute to legislative undertakings. Such structures operate within the framework of existing legislative to provide support and assist Municipalities to execute their legislative imperative.

Committees have been set up vertically and horizontally to execute intergovernmental responsibilities. Grants and various support mechanisms are deliberated along the provisions expressed in various pieces of legislation. Most of these forums are coined along the lines of various government functions. They take the form of Members of Executive Councils and Members of Mayoral Committees forums, Premiers Coordination Forums, Municipal Manager's Forum, Chief Financial Officers forums. These forums operate within the sphere of organised local government within the auspices of the South African Local Government Association, District Municipalities and Pan-Municipal Departments where policy and programmatic schedules are determined.

The National Government has seconded Municipal Infrastructure Support Agency (MISA) to assist the municipality on service delivery initiatives. Further the National Government has channeled funds through Neighbourhood Development Partnership Grant for the beautification of the township (NDPG).

The municipality forms part of the Premier's coordinating forums, Provincial Sector Intergovernmental which comprises of MEC, MMCs and the sectoral technical IGR Forums which comprise of senior officials. There are also ongoing and regular engagements with different provincial government departments. The rate of payment of debt by other spheres of government remains a challenge that the municipality should focus on going forward.

Lesedi Local Municipality forms part of the District wide IGR processes. Such structures are: Joint Mayoral Committee, CFO forum and Joint Municipal Managers.

PUBLIC ACCOUNTABILITY AND PARTICIPATION

The municipality has 13 wards; out of 13 wards we have established 13 sector based Ward Committees. Ward Committee Policy has been developed and approved by Council and it's reviewed annually. The Public Participation Policy has also been approved with Standard Operational Procedures.

- We have 14 Council sitting including Special Council.
- We have convened 38 Public meetings and 37 Ward Committee meetings.
- Five (5) IDP stakeholders Forum meetings.
- Six (6) Imbizo were held.

3.3 PUBLIC MEETINGS

IDP/ BUDGET COMMUNITY FORUMS

The main structure for public participation is the IDP/ Budget Stakeholder Representative Forums. These forums were constituted by all organized formations within the municipal space which are invited to register their contact details in our data base to be included as members of the Stakeholders Forum.

The members of the IDP/ Budget Representative forums were invited in writing to the meetings and the notices of the meetings were also published in the Local and National Newspapers encouraging the different formation/ organisations to send representatives to the meetings.

A total of five IDP/budget stakeholder forums were held in the previous financial year of which one of the forums were held in Ratanda (targeting communities of Ratanda, Heidelberg and Jameson Park) and the remainders of meetings were held at Impumelelo/Devon with representatives hailing from Vischkuil/ Endicott and surrounding areas. The municipality also paid for the travelling costs for representatives from areas such as Jameson Park, Endicott and Kwazenzele.

Furthermore, the scheduling of meetings took place to meet the requirements of the majority of the participants. Though the material and documents handed to the participants were written in English, the meetings are mostly addressed in African Languages. All meeting are well attended and the attendance registers are kept for future reference.

IDP/ Budget meetings are always attended by stakeholders derive from our municipal data base; ward committee members; Community Development Workers; District Reps and NGO's. Our notices are placed on Local Newspaper and we send out notices to different stakeholders. Our IDP/Budget forums are area based i.e. Ratanda and Devon.

Ward Committees are part of the process and review of the integrated development plan (IDP). They support the Council on performance by means of the approved PRMS management system. They make inputs and ensure participation during the review of Council budget. Participate with strategic decision making relating to the provision of municipal services. They act as advisory committee to the Ward Councillor.

3.4 IDP PARTICIPATION AND ALIGNMENT

Nature and Purpose of Meeting	Date of Events	Public Meetings				
		No. of Participating Municipal Councillors	No. of Participating Municipal Administrators	No. of Community Members Attending	Issue Addressed (Yes/No)	Dates and manner of feedback given to community
Ward 1 Public Meetings	30 July 2014; 4 Aug 2014; 20 Aug 2014; 7 Sept 2014; 1 Nov 2014; 29 Jan 2015; 4 May 2015;	Two Councillors per meeting	one	200 to 250 per meeting	Yes	20 August 2014; 1 Nov 2014; 4 May 2015.
Ward 2 Public Meeting	30 July 2014; 25 May 2015.	Two Councillors per meeting	one	150 to 200 per meeting	Yes	25 May 2015
Ward 3 Public Meeting	30 July 2014; 9 June 2015;	Two Councillors per meeting	one	200 to 250 per meeting	Yes	09 June 2015
Ward 4 Public Meeting	30 July 2014; 25 May 2015. 20 April 2015.	Two Councillors per meeting	one	150 to 200 per meeting	Yes	25 May 2015
Ward 5 Public Meeting	31 July 2014; 8 Mar 2015; 29 April 2015; 10 May 2015.	Two Councillors per meeting	one	150 to 200 per meeting COUNT	Yes	29 April 2015
Ward 6 Public Meeting	31 July 2014; 24 Aug 2014; 15 Mar 2015.	Two Councillors per meeting	one	150 to 200 per meeting	Yes	24 August 2015.
Ward 7 Public Meeting	26 July 2014; 20 Aug 2014; 12 Oct 2014; 15 Mar 2015; 17 April 2015.	Two Councillors per meeting	one	150 to 200 per meeting	Yes	20 Aug 2014; 17 April 2015.
Ward 8 Public Meeting	None	0	0	0	No	No feedback

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Nature and Purpose of Meeting	Date of Events	Public Meetings				
		No. of Participating Municipal Councillors	No. of Participating Municipal Administrators	No. of Community Members Attending	Issue Addressed (Yes/No)	Dates and manner of feedback given to community
Ward 9 Public Meeting	15 October 2014	Three Councillors	Two	25	Yes	No feedback meetings
Ward 10 Public Meeting	None	0	0	0	No	No feedback meetings
Ward 11 Public Meeting	26 July 2014; 15 June 2015.	Two Councillors per meeting	one	150 to 200 per meeting	Yes	No feedback
Ward 12 Public Meeting	20 July 2014; 9 Nov 2014; 3 Mar 2015; 29 Mar 2015; 17 May 2015	Two Councillors per meeting	one	150 to 200 per meeting	Yes	29 Mar 2015
Ward 13 Public Meeting	17 Aug 2014; 14 Oct 2014; 17 May 2015.	Two Councillors per meeting	one	150 to 200 per meeting	Yes	17 Aug 2014
Ratanda IDP/ Budget Stakeholder forum - Presentation of the municipal status quo and projects	26/02/2014	12	8	185	Yes	Feedback meeting held on 30/04/2014
Shalimar Ridge IDP/ Budget Stakeholder forum - Presentation of the municipal status quo and projects	27/02/2014	9	7	6	Meeting postponed indefinitely – poor attendance	Meeting postponed indefinitely – poor attendance

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Nature and Purpose of Meeting	Date of Events	Public Meetings				
		No. of Participating Municipal Councillors	No. of Participating Municipal Administrators	No. of Community Members Attending	Issue Addressed (Yes/No)	Dates and manner of feedback given to community
Devon IDP/ Budget Stakeholder forum - Presentation of the municipal status quo and projects	05/03/2014	11	8	169	Yes	Feedback meeting held on 14/05/2014
Ratanda IDP/ Budget Stakeholder forum - providing feedback on the issues raised from the previous meeting	30/04/2014	12	11	208	Yes	
Devon IDP/ Budget Stakeholder forum - providing feedback on the issues raised from the previous meeting	14/05/2014	6	8	165	Yes	

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

CORPORATE GOVERNANCE

The municipality has corporate governance structures in place i.e. Audit Committee, MPAC, Section 80 committees, LLF, Management Committee, Mayoral Committee and Council. All these committees exercise different oversight at different intervals according to their roles and responsibilities. Policies and systems before being approved by Council go through these committees. Procedures are in place and currently are being reviewed.

3.5 RISK MANAGEMENT

The Municipality conducted a risk assessment during the 2014/15 financial year to identify strategic risks. The risks identified as per the Strategic Risk Report are as follows:

No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
1.	Inability to continue with operations in the event of a disaster.	5	Outdated Business Continuity Plan (BCP).	High	To review and implement the Business Continuity Plan.
2.	Water distribution losses.	2	Ageing infrastructure.	High	Implementation of Comprehensive Water Conservation and Demand Management Strategy.
			Damaged water infrastructure.		To implement social intervention component of the Water Conservation Demand Management Strategy.
			Theft and vandalism of water infrastructure assets.		Full implementation and monitoring of By-Laws.
			Estimation of water bills.		Rotation of at least five (5) service providers for water meter readings.
					Implementation of the Water Demand Management Plan.
			Inadequate funding.		Source additional funding for Smart Meters (i.e. from Municipal Infrastructure Grant /Development Bank of Southern Africa /Public Private Partnership).
3.	Non-compliance with Occupational Health and Safety (OHS) Act.	5	Inaccessibility of council facilities.	High	Implementation of the OHS Project Plan.
					To appoint an OHS specialist.
					Periodic training on specialised equipment.
			Lack of OHS Strategy.		Established a Safety Committee.
					Training of OHS representatives.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
					To develop and implement OHS Strategy.
			Absence of an OHS Policy and Standard Operating Procedures (SOP's).		Procurement of proper Personal Protective Equipment (PPE) for different sections.
			Absence of OHS Specialist in the Municipal Structure.		Appointment of an OHS specialist subsequent to the development and implementation of the OHS Strategy.
			Absence of a PPE Policy.		Development and implementation of the PPE Policy.
					Procurement of proper PPE for different sections.
			Insufficient budget.		Reallocations of budget.
4.	Inability to manage illegal activities.	5	Lack of Municipal By-Laws.	High	Approval and promulgation of Municipal By-Laws.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
5.	Non-compliance with the National Environmental Management Standards (NEMS).	2,5 & 6	Absence of monitoring mechanism for environmental management.	High	Development and implementation of By-Laws to enforce compliance.
			Absence of Environmental Management Framework.		Development and implementation of the Environmental Management Plan.
			Lack of By-Laws for open spaces to forbid illegal dumping.		Development and implementation of By-Laws to enforce compliance.
			Unauthorized waste disposal.		To apply for closure and rehabilitation of all illegal waste disposal sites.
			Lack of a Business Plan.		Development and implementation of a Business Plan.
			Absence of Wetland Delineation Plan.		Development and implementation of Wetland Delineation Plan.
			Lack of a Rehabilitation Plan.		Development and implementation of a Rehabilitation Plan.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
6.	Poor service delivery on the rendering of Primary Health Care (PHC) services.	3	Lack of control on PHC services due to provincialisation of PHC.	High	To attend the process meetings for addressing lack of control on PHC services.
7.	Illegal land use and building activities.	6	Building and extension of facilities without the approval of Building Plans.	High	To issue notices of legal processes for non-compliance with the National Building Regulations and other relevant Town Planning Legislation or Policies.
			Illegal business containers / spaza shops and buildings.		Prosecution of transgressions.
			Lack of enforcement of National Building Regulations.		Full implementation of the Informal Trading, Container Spaza Shops and Land Invasion Policies.
8.	Late payment of service providers.	1	Non-payment of suppliers within 30 days from the date of receipt of invoice.	High	Full capacitation of the Town Planning Section.
			Limited working cash flow at certain times.		To ensure payment of service providers within 30 days.
					Restriction of expenditure on budget.
9.	Ineffective records management.	5	Inaccessibility of the Quiddity System.	High	To monitor payment of overdraft facilities.
					Utilization of an overdraft facility.
9.	Ineffective records management.	5	Inaccessibility of the Quiddity System.	High	Implementation of the Document Management System (DMS).
					Training of officials on DMS.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
10.	Fraud and corruption.	1	Inadequate internal controls.	Medium	Implementation of disciplinary actions.
					Full implementation of the Procurement System.
					Development and implementation of the Procurement Plans.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
11.	Loss of revenue.	6	Informal trading.	High	Implementation of the new tariffs.
			Non-transfer of title deeds.		To finalise all disputes regarding title deeds especially in terms of double allocations.
					To issue the title deeds when ownership has changed.
			Improper management of leases.		To appoint an official for the management of leases.
			Lease Agreements are not cost reflective.		Implementation of new tariffs.
			Absence of Business Plans.		Submission and implementation of Departmental Business Plan.
			Water distribution losses.		Refer to risk no 2.
			Electricity distribution losses.		Refer to risk no 20.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans	
12.	Illegal dumping.	2	Lack of licensed landfill sites in Devon.	Medium	Authorisation of a new landfill site.	
			Rehabilitation of contaminated land.		Closure and rehabilitation of the existing dumping site.	
			Absence of By-Laws.		Promulgation of the By-Laws.	
13.	Poor asset management.	1	Inadequate implementation of the National Treasury Guidelines.	Medium	Implementation of the GIS System.	
					Full implementation and monitoring of the Asset Management Policy.	
14.	Violation of Traffic Law.	4	Inadequate Traffic Law enforcement.	Medium	To enter into a contract with other stakeholders regarding the execution of warrants.	
			Absence of By-Laws.		To review and fully implement the Traffic Management Plan.	
					Promulgation of the By-Laws.	

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
15.	Illegal land invasion.	6	Undeveloped land.	Medium	Development and implementation of Open Space Plan.
					Monitoring of the land invasion.
					Infilling and densification.
			Uncontrolled access to land.		Development of low income housing.
			Lack of security of tenure.		Development of low income housing.
			Urban sprawl.		To facilitate the development of low income and mixed housing.
			Farm evictions.		Develop a Comprehensive Rural Development Programme.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
16.	Poor management of fleet.	5	Lack of control over Council vehicles.	Medium	To review and fully implement the Fleet Management Policy in conjunction with the Asset Management Policy.
			Ageing fleet.		To review and fully implement the Fleet Management Policy in conjunction with the Asset Management Policy.
			Inconsistency in dealing with cases of misuse of vehicles.		To ensure that all employees are subject to the Disciplinary Code and Standards.
			Lack of a Business Plan.		Development and implementation of a Business Plan.
			Lack of a Vehicle Replacement Policy.		To review and fully implement the Fleet Management Policy in conjunction with the Asset Management Policy.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
17.	Service delivery protests.	5	Poor communication between the Municipality and the community.	Medium	Full implementation and monitoring of the approved Communication Strategy.
			Lack of client centricity.		Full implementation and monitoring of the Public Participation Policy.
					Establishment of a customer service section.
					To implement an innovative customer relationship management.
18.	Under expenditure (Grants).	1	Lack of planning.	Medium	Establishment of the Project Management Unit.
			Lack of capacity.		Establishment of the Project Management Unit.
19.	Vandalism of Municipal buildings.	3	Inadequate security services around Municipal buildings.	Medium	Full implementation and monitoring of the Safety and Security Policy.
			Service delivery protests.		Full implementation and monitoring of the Protest Management Plan.
20.	Electricity distribution losses.	2	By-passing of meters / illegal connection of electricity.	Medium	Continuous installation and monitoring of the protective meter kiosks.
			Theft of electrical cables.		Continuous installation and monitoring of the protective meter kiosks.
			Disparity between billing and cost factors managed by Regulating Authority (National Regulatory Energy of SA.		Restructuring of the tariffs to be in line with ESKOM tariff structure.
			Insufficient funds to install Eskom metering to minimise losses.		Source alternative ways of funding for the installation of smart meters.

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No	Risk	Object ive Refere nce no.	Causes identified	Residual Risk Rating	Action Plans
			Ineffective implementation of the credit control measure.		Full implementation of the approved Credit Control Policy. Implementation of By-Laws. Source alternative ways of funding for the installation of smart meters.
21.	Excessive expenditure (Information Communication Technology).	1	Abuse of internet usage by staff members.	Medium	To upgrade the Information Technology (IT) Systems to allow selective access to internet.
			Poor Management of Information Communication Technology (ICT) Contracts.		Centralisation of call logging.
			Abuse of telephones by staff members.		To upgrade Telephone System in order to manage calls per user.
			Abuse of printing facilities.		Upgrade the ICT System to manage pin codes for printing.

FRAUD AND ANTI-CORRUPTION STRATEGY

Lesedi Municipality is affiliated with DPSA Fraud Hotline system wherein members of the community can report Fraud and Corruption. This system is accessible 24 hours community member leaves messages which are then forwarded to the office of the Municipal Manager.

The Anti-Fraud and Corruption Committee duties are conducted by the Audit Committee due to the size of the Municipality.

A dedicated line has been created for reporting fraud and corruption.

3.6 SUPPLY CHAIN MANAGEMENT

The Lesedi Local Municipality's Supply Chain Management (SCM) Policy was reviewed and adopted by council as required. The requirements as stated under Section 112(h) of the MFMA were fully complied with. LLM's SCM policy complies fully with the SCM Regulations as gazette.

3.7 BY-LAWS

By-laws were developed and publicised for public comments (33 in total). The promulgation of priority by-laws to take place in the next financial year. Nine (9) By-Laws have been sent for promulgation.

3.8 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	4/06/2015
All current budget-related policies	Yes	01/06/2015
The previous annual report 13/14		22/08/2015
The annual report 2015/16 published/to be published	No	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes	06/07/2014
All service delivery agreements	Yes	01/06/2015
All long-term borrowing contracts	N/A	
All supply chain management contracts above a prescribed value (give value) for 2014/2015	Yes	06/05/2014
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2015/16	Yes	06/06/2014
Contracts agreed in 2014/15 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes	06/06/2014
Public-Private Partnership agreements referred to in section 120 made in 2014/15	N/A	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 2015/16	Yes	07/15/2014

All of the information required for a municipality's website, as set out in MFMA section 75 is updated. The public can access our website from Libraries.

3.9 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality conducts the external appraisal survey twice during one financial year, whereby the community is afforded an opportunity to assess the level of satisfaction received from Council.

External Appraisal Questionnaires are available at all Libraries/Clinics/ Pay Points / Political Offices and the Offices of Management for completion by the public.

Ward Based (Political Pillar) Satisfaction Survey Undertaken for 2014/2015

Subject matter of survey		Total Participants	High Risk Survey Results %	Comparative Outcome over two consecutive surveys
Customer Care	Councilors	292	71.23 %	69.51% of the participants are of the opinion that the customer care of councilors can improve against 23.48% of the previous assessment
	Executive Mayor Off.	286	69.93 %	
	Speaker Office	282	67.38 %	
Information	Councilors	276	68.84 %	68.84% of the participants are of the opinion that the communication of important information towards the community can improve against 30.14% of the previous assessment
	Executive Mayor Off.	276	69.57 %	
	Speaker Office	276	68.12 %	
General Communication	Councilors	281	67.26 %	67.43% of the participants are of the opinion that the general communication of councilors can improve against 29.11% of the previous assessment
	Executive Mayor Off.	278	67.99 %	
	Speaker Office	279	67.03 %	
Municipal Infrastructure	Water	281	49.82 %	50.04% of the participants are of the opinion that the infrastructure in the residential areas (<i>Wards</i>) are not on a required standard against 28.39% of the previous assessment
	Electricity	277	54.15 %	
	Sewer	277	46.93 %	
	Roads	283	50.53 %	
	Street Lights	279	48.75 %	
Facilities	Health & Clinic Serv.	292	55.82 %	56.23% of the participants are of the opinion that there is a lack of facilities for the communities against 39.87% of the previous assessment
	Community Services	289	52.25 %	
	Sports Grounds	292	56.85 %	
	Sport Facilities	286	61.54 %	
	Social & Library Serv.	287	54.70 %	
	Parks & Open Spaces	289	57.44 %	

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Municipal Offices (Administrative Pillar) Satisfaction Survey Undertaken for 2014/2015

Subject matter of survey		Total Participants	High Risk Survey Results %	Comparative Outcome over two consecutive surveys
Communication	Switchboard	405	40 %	42.48% of the participants agree that communication from the municipal offices can improve against the previous <u>40.03%</u>
	Other Verbal	400	45 %	
	Written	370	42.43 %	
Customer Care & Bath Pele Principles	Municipal Manager	331	49.24 %	45.12% of the participants agree that Complaints received by the community can improve against the previous <u>36.82%</u>
	Financial Services	376	53.72 %	
	Development & Plan	347	42.65 %	
	Engineering Services	333	45.05 %	
	Community Services	353	39.09 %	
	Corporate Services	332	40.96 %	
Basic Services	Water	407	40.05 %	38.52% of the participants agree that basic services can improve against the previous <u>35.51%</u>
	Electricity	413	51.82 %	
	Sewer	400	32.56 %	
	Refuse	399	32.56 %	
	Stormwater	387	35.66 %	
Infrastructure	Roads	401	39.15 %	42.13% of the participants agree that the infrastructure in towns can improve against the previous <u>37.41%</u>
	Streetlights	401	46.13 %	
	Road Signs	394	41.12 %	
Clean Town	Side Walks	393	38.93 %	43.95% of the participants agree that the neatness of the towns can improve against the previous of <u>40.36%</u>
	Park Areas	363	44.63 %	
	Open Spaces	366	45.90 %	
	Town Entrances	380	46.32 %	

The public satisfaction surveys have helped to steer the municipality in the right direction in terms of ensuring that community needs are assessed, addressed and promotes improved service delivery.

3.10 SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The Department's key performance areas as outlined in the IDP are municipal transformation and institutional development, basic service delivery, financial viability and management, good governance & public participation and cross cutting issues. The provision of basic services to the communities has increased on annual basis.

Some of the performance highlights for the 2014/2015 financial year are:

- Electrification of 975 households in Obed Nkosi Township and installation of related bulk network.
- Upgrading of approximately 7km gravel roads to paving and installation of the associated storm-water network in ward 6, 7 and 10.
- Connection of all needs-driven service connections.
- Repair of service interruption faults within norms & standards.
- Reduction in theft and vandalism of the existing networks
- Authorization permit/license for the construction of Devon Landfill site.
- Alignment of electricity tariffs to Eskom.

BASIC SERVICES

South Africa as one of the developmental state is currently faced with challenges that lead to service delivery protests from members of the public, thus Lesedi Local Municipality as a local sphere of government is not immune to such nationwide challenges. The municipality strives to provide quality and affordable services to all its residents, even though there are challenges that emanate from urbanization and soft borders which exert significant pressure on the infrastructure and the general waste production patterns.

The Municipality does not have an authorised landfill site to address waste disposal challenges by landfill in terms of the minimum requirements. The unavailability of waste disposal sites on the western edge of the municipality arise from the environmental sensitivity of the area.

3.11 WATER PROVISION

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2011/12	0	0	443181	4873472	1452599
2012/13	0	0	574642	4585235	1238024
2013/14	0	0	412017	6046200	1696502
2014/15	0	0	202677	6668329	2564229

The domestic sector remains the biggest consumer, followed by the industrial sector. The rationale behind the prevailing trend in terms of consumption is on the basis that developments that are housing related in nature are increasing given that, Lesedi Local Municipality still remains the only Municipality that still have land available for housing developments in the traditional East Rand Area.

Daily annual average daily demand has increased over the years for the industrial sector, due to expansions within the sector. Though the Municipality is semi-rural in nature with the high potential for agriculture, the Municipality does not provide potable water for agriculture therefore the surface and ground water consumption is not readily available. The unaccountable water level for the municipality is currently at 24%. The figure relates to losses that exist due to aging infrastructure, inadequate billing, theft and vandalism on the infrastructure.

The Municipality in partnership with the Department of Corporative Governance and Traditional Affairs as part of the support to the Municipality through the Municipal Infrastructure Support Agent has developed a comprehensive multiyear Water Conservation and Water Demand Management Strategy/Plan. The main objective of the strategy is to ensure that revenue is enhanced through the reduction in water losses.

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Households - Water Service Delivery Levels below the minimum						
Households						
Description	2011/12	2012/13	2013/14	2014/15		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements:						
Total households	29833	30383	30803			32239
Households below minimum service level	0	0	0			0
Proportion of households below minimum service level	0%	0%	0%			0%
Informal Settlement:						
Total households	3920	3400	2789			2489
Households Is below minimum service level	0	0	0			0
Proportion of households is below minimum service level	0%	0%	0%			0

Access to Water			
Period	Proportion of households with access to water points	Proportion of households with access to piped water	Proportion of households receiving 6 kl free
2011/12	85%	90%	3%
2012/13	90%	92%	5%
2013/14	95%	92%	7%
2014/15	99%	93%	13%

Means access to 25 liters of potable water per day supplied within 200m of a household and with a minimum flow of 10 liters per minute. 6,000 liters of potable water supplied per formal connection per month.

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Water services 2014/15						
Service Objectives	Outline Service Targets	2013/14		2014/15		
		Target	Actual	Target	Actual	
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Service Objective: To ensure that all the residents within the municipality have access to quality and affordable water services						
Increase efficiency levels of access to free basic service delivery	% of new water connections applications	100%	100%	100%	100%	100%
Revenue enhancement through reduction in water losses	% reduction in water losses	22%	23.5%	20%	20%	24%
% of households with access to basic services	% of households in the Municipality with access to basic levels of water.	98%	97%	99%	99%	99%

Employees: Water Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	36	36	35	1	0.10%
7 - 9	6	6	6	0	0%
10 - 12	9	9	9	0	0%
13 - 15	2	2	2	0	0%
16 - 18					0%
19 - 20	0	0	0	0	0%
Total	53	53	52	1	.0.1%

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Financial Performance 2014/15 : Water Services					
R'000					
	2013/14	2014/15			
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	60 300	73 859	73 986	72 314	98%
Expenditure:					
Employees	6 299	9 315	7 083	7 554	81%
Repairs and Maintenance	1 261	1 756	1 906	1 663	94%
Other	52 721	52 285	58 343	69 963	-34%
Total Operational Expenditure	60 281	63 356	63 356	79 180	88%
Net Operational Expenditure	19	10 503	10 630	-6 866	100%

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Capital Expenditure 2014/15 : Water Services					
					R' 000
2014/15					
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total	3 500	–	–	–	–
Upgrade Water Network	3 500	–	–	–	1 400
The project was deferred to the 2015/16 financial year due to financial constraints since it is funded internally					

Based on the challenges that were encountered by the Municipality in terms of the cash-flow, most of the water projects were put on hold because they were internally funded by the Municipality and thus no water projects were funded for the current financial year. However most of the water related projects that will be coming in the outer financial years will be linked to housing developments.

Generally the Municipality is on the right track in the provision of potable water to its communities, the current 99% provision by the Municipality includes other sources like ground water utilization in rural communities and water supplied through tanker services to remote areas. The initiative as a temporary measure clearly indicates the Municipality's commitment in ensuring that the constitutional mandate as a Water Services Authority and Provider is adhered to in terms of the Constitution and the Bill of Rights.

3.12 WASTE WATER (SANITATION) PROVISION

The basic Services Policy of 2001 also guarantees access to a minimum level of sanitation which is defined as households having access to, at the minimum, a ventilated pit latrine also known as a VIP toilet. This standard of service delivery is deemed necessary to ensure human dignity and prevent the spread of diseases. An increase from 87.5% in 2012 to 98% in 2014, equates to approximately 12 545 more households with water borne sanitation. This rapid increase is indicative of economic growth and the local government's commitment to providing housing, infrastructure and service delivery.

There are four waste water works with variable capacities within the municipal locality, two of the waste water works are operated by the East Rand Water Care Company (ERWAT), through a service level agreement with the Municipality. The general performance of the Municipality in terms of the Green drop incentive based regulation as developed by the Department of Water and Sanitation, has improved since the inception of the programme.

Provision of sanitation services to poverty stricken areas still remains a priority of the Municipality, areas that are geographically situated in a way that excludes them from access to adequate sanitation due to infrastructure coverage. Ventilated Improved Pit latrines are provided as a minimum level of service to some informal settlements and some rural areas.

The bucket sanitation has been eradicated in Ratanda informal settlements and replaced with chemical toilets at a ratio of 1:4, the eradication of the bucket system was supported by the Department of Corporative Governance and Traditional Affairs. The eradication of informal settlements by the Department of Human Settlement in conjunction with the Municipality will ensure that sanitation related backlogs within the Municipality are reduced/addressed.

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Sanitation Service Delivery Levels				
Description	Households			
	2011/12	2012/13	2013/14	2014/15
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
Sanitation/sewerage: (above minimum level)				
Flush toilet (connected to sewerage)	25700	26000	26400	27658
Flush toilet (with septic tank)	760	800	800	800
Chemical toilet	0	0	0	60
Pit toilet (ventilated)	209	259	259	259
Other toilet provisions (above minimum service level)	0	0	0	0
Minimum Service Level and Above sub-Total	26669	27059	27459	28717
Minimum Service Level and Above Percentage	98.9%	99.2%	99.2%	99.2%
Sanitation/sewerage: (below minimum level)				
Bucket toilet	85	58	58	0
Other toilet provisions (below minimum service level)	0	0	0	0
No toilet provisions	824	824	824	824
Below Minimum Service Level sub-Total	909	882	882	824
Below Minimum Service Level Percentage	1.1%	0.8%	0.8%	0.8%
Total households	27578	27941	28341	29541
An increase in the total number of households having access to sanitation is due to the ongoing housing Project (Obedi Nkosi Township).				

Waste Water (Sanitation) Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2013/14		2014/15		
		Actual	Target	Target		Actual
Service Indicators				Previous Year	Current Year	
(i)	(ii)			(v)	(vi)	(vii)
Service Objective: To provide access to basic and adequate sanitation						
To maintain the existing sewer infrastructure	By attending to all complaints received	100%	100%	100%	100%	100%
To increase access to sanitation service	By installing 100 percent of new applications received	100%	100%	100%	100%	100%

Employees: Sanitation Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	36	36	35	1	0.1%
7 - 9	6	6	6	0	0%
10 - 12	9	9	9	0	0%
13 - 15	2	2	2	0	0%
16 - 18					0%
19 - 20	0	0	0	0	0%
Total	53	53	52	1	0%

Financial Performance 2014/15 : Sanitation Services					
R'000					
	2013/14	2014/15			
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	19 501	21 984	21 603	22 627	-3%
Expenditure:					
Employees	3 654	4 585	4 637	4 229	92%
Repairs and Maintenance	1 971	2 752	1 627	1 701	62%
Other	13 188	10 699	12 663	15 632	-46%
Total Operational Expenditure	18 813	18 036	18 927	21 562	-20%
Net Operational Expenditure	688	3 948	2 676	1 065	27%

Capital Expenditure 2014/15 : Sanitation Services					
R' 000					
2014/15					
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	500	5 100	0	0%	
Network Upgrading	500	500	0	0%	500
Equipment	300	300	–	–	500

For the current financial year only one project was approved and budgeted for by the Municipality, which is the upgrading of the sewer line to the Heidelberg Industrial Area. The project is been put on hold due to environmental challenges raised by the Gauteng Department of Agriculture and Rural Development.

3.13 ELECTRICITY

Household's access to electricity is an important determinant of socio-economic welfare with most non electrified households typically living in poverty. Households with access to electricity are able to reallocate their time away from the collection of wood and other lighting materials. They are also less likely to suffer health complications from smoke and chemical inhalation. Access to media and other communication is greater resulting in a better informed population, and students living in the home are better equipped to perform well in school.

The basic services policy adopted by 2001 addresses the right of all households, particularly those living in poor areas, to access a minimum amount of free basic electricity. This implies that distribution networks must be extended to ensure that all households are able to access the electricity grid.

Access to electricity for the Lesedi Local Municipality as compared to Sedibeng DM and Gauteng Province indicate that in 2001 approximately 71% of households in Lesedi Local Municipality have access to electricity for lighting.

The Lesedi Local Municipality has made progress in terms of electricity access with more households connected to electricity in 2014/15 than in 2013/14, increasing access from 90% to 92%. This progress is much more rapid than at the District and Provincial level indicating a significant amount of infrastructure investment

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Electricity Service Delivery Levels				
Description	2011/12	2012/13	2013/14	Households 2014/15
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Energy: (above minimum level)				
Electricity (at least minimum service level)	29833	30383	30803	32239
Electricity - prepaid (minimum service level)	13779	14019	14326	15752
Minimum Service Level and Above sub-total	29833	30383	30803	32239
Minimum Service Level and Above Percentage	100.0%	100.0%	100.0%	100.0%
Energy: (below minimum level)				
Electricity (< minimum service level)				
Electricity - prepaid (< min. service level)				
Other energy sources				
Below Minimum Service Level sub-total	–	–	–	–
Below Minimum Service Level Percentage	0.0%	0.0%	0.0%	0.0%
Total number of households	29833	30383	30803	32239

Households - Electricity Service Delivery Levels below the minimum						
Description	2011/12	2012/13	2013/14	Households 2014/15		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	29833	30383	30803			32239
Households below minimum service level	0	0	0			0
Proportion of households below minimum service level	0	0	0			0
Informal Settlements						
Total households	3920	3400	2789			2489
Households is below minimum service level	3920	3400	2789			2489
Proportion of households is below minimum service level	100%	100%	100%			100%

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Electricity Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2013/14		2014/15		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
IDP Objective: Basic Service delivery						
To maintain the existing electricity infrastructure	By attending to all complaints received	100%	100%	100%	100%	100%
To increase access to sanitation service	By installing 100 percent of new applications received	100%	100%	100%	100%	100%
Revenue enhancement through reduction in electricity losses	% reduction in electricity losses	12%	14%	14%	12%	14%
% of households with access to basic services	% of households in the Municipality with access to basic levels of Electricity.	91%	91%	90%	92%	92%

Employees: Electricity Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 – 6	14	14	14	0	0%

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7 – 9	10	10	10	0	0%
10 - 12	13	14	1314	0	0%
13 - 15	2	2	2	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	40	40	40	0	0%

Financial Services 2014/15: Electricity Services

Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	209 771	242 421	241 331	230 002	95%
Expenditure:					
Employees	8 571	10 358	10 045	9 403	91%
Repairs and Maintenance	7 803	8 060	9 312	10 860	-35%
Other	189 846	178 456	200 840	182 041	-2%
Total Operational Expenditure	206 220	196 874	220 197	202 304	-2%
Net Operational Expenditure	3 551	45 547	21 134	27 698	61%

Capital Expenditure 2014/15 : Electricity Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	7 000	21 200	19 937	-85%	
Electrical Reticulation	7 000	7 000	6 907	99%	–
Equipment	–	500	0	0%	–
Electrical Reticulation	–	13 700	13 030	95%	–

The overall performance in terms of electricity supply is satisfactory, given that the performance is above that of the District and Province. The major upgrades required relates to the Obed Nkosi Township with approximately 6000 units. In the 2014/15 financial year, 971 households were electrified and 3,3 km of medium voltage feeder cables were installed to accomodate the electrification in Obed Nkosi.

3.14 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

The final aspects of the service delivery guaranteed in the Basic Services Policy of 2001 are the provision of refuse removal by a municipal authority or entity. In the absence of regular refuse removal communities are faced with severe sanitation challenges, resulting in poor living conditions and likelihood that diseases will spread.

When comparing refuse removal services in the Lesedi LM to the Sedibeng DM and Gauteng Province in 2001 and 2014, it shows that the portion of households in the Lesedi LM which receive refuse removal at least once a week increased from 62.8% of households in 2001 to 94% in 2014.

Proportionally fewer households in the Lesedi LM receive refuse removal services (83.2%) than in the Sedibeng DM (88.2%) and Gauteng Province (88.3%). This is attributed to the rural nature of the municipality, which means that households are often more dispersed making refuse removal less efficient. Rural households are also more likely to have access to their own refuse dumps.

The rationale behind such initiative was to create working opportunities, to alleviate poverty, and to extend waste collection services to areas which were not serviced previously due to limited resources from the Municipality side.

Most of the settlements within the Municipality have access to once a week kerb collection, except Ratanda Township which receives two collections per week. The business sector receives three collections per week. Street cleaning is also conducted by the Municipality.

Refuse Removal Collection Frequency

Category	Frequency/week
Domestic	1-2
Business	3
Commercial	1-2
Industrial	3
Informal Settlements	1

Solid Waste Service Delivery Levels				
Description	2011/12	2012/13	2013/14	Households
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Solid Waste Removal: (Minimum level)				
Removed at least once a week	25703	26773	27804	29540
Minimum Service Level and Above sub-total	25703	26773	27804	29540
Minimum Service Level and Above percentage	75%	80%	92%	94%
Solid Waste Removal: (Below minimum level)				
Removed less frequently than once a week	0	0	0	0
Using communal refuse dump	3920	3400	2789	2489
Using own refuse dump	210	210	210	210
Other rubbish disposal	-	-	-	-
No rubbish disposal	-	-	-	-
Below Minimum Service Level sub-total	4130	3610	2999	2699
Below Minimum Service Level percentage	25%	20%	8%	6%
Total number of households	29833	30383	30803	32239

Households - Solid Waste Service Delivery Levels below the minimum						
Description	2011/12	2012/13	2013/14	Households		
	Actual	Actual	Actual	2014/15		
				Original Budget	Adjusted Budget	Actual
Formal Settlements						
Total households	25703	26773	27804			29540
Households below minimum service level	0	0	0	-	-	0
Proportion of households below minimum service level	0%	0%	0%			0%
Informal Settlements						
Total households	3920	3400	2789			2489
Households is below minimum service level	0	0	0			0
Proportion of households is below minimum service level	0%	0%	0%			0%

Service Objectives	Outline Service Targets	2013/14		2014/2015		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Service Objective: To ensure that residents to proper waste collection and disposal						
Improve community health and safety	% of households provided with refuse removal service	92%	92%	94%	94%	94.0%
Promote Public Participation and Good Governance	Authorisation /licensing of the Devon landfill site	1	0		1	1
Promote Public Participation and Good Governance	Application of closure for the existing Devon dumping site	1	0		1	1
Employees: Solid Waste Management Services						
Job Level	2013/14	2014/2015				
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3				0		
4 - 6	37	37	37	0	0%	
7 - 9	6	6	6	0	0%	
10 - 12	3	3	3	0	0%	
13 - 15	0	0	0	0	0%	
16 - 18	1	1	1	0	0%	

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19 - 20	0	0	0	0	0%
Total	47	47	47	0	0%

Employees: Waste Disposal and Other Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3					
4 – 6	11	11	11	0	0%
7 – 9	4	4	4		0%
10 - 12					
13 - 15					
16 - 18					
19 - 20	0	0	0	0	0%
Total	15	15	15		6%

Financial Performance 2014/2015 : Solid Waste Management Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	23 698	25 698	26 354	26 545	-3%
Expenditure:					
Employees	6 405	8 383	7 892	7 261	87%
Repairs and Maintenance	93	225	95	15	7%
Other	14 019	10 360	11 854	19 100	-84%
Total Operational Expenditure	20 517	18 968	19 841	26 376	-39%
Net Operational Expenditure	3 181	6 730	6 513	169	2,51%

Capital Expenditure 2014/15 : Waste Management Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 400	–	–	–	
LDV BAKKIES X 2	400	–	–	–	
Refuse Truck	2 000				
The projects were deferred due to cash flow challenges.					

Housing Services

The Construction and rehabilitation Projects have been deferred to the 2016/17 financial year due to other pressing priorities (Provision of bulk services in Kwazenzele Phase 2 housing project). Generally the collection of refuse has improved tremendously, however there is a need for waste minimization initiatives as requirement of the National Environment Management Waste Act 59 of 2009 and the Integrated Waste Management Plan of the Municipality.

The provision of basic refuse removal service was extended to Obed Nkosi Township phase two in 2014/15.

3.15 HOUSING

Informal settlements- 238 stands

The project was initiated in an effort to eradicate bucket system that the Municipality was utilizing as a form of sanitation for an informal settlement in Ratanda township. The Municipality identified an area (Ratanda Extension 8) that has been subdivided to accommodate 238 stands as an alternative to relocate the informal settlement community and provide them with decent services, tenure rights and housing. A list of affected households was approved by the Council for relocation. Communal mobile toilets amounting to sixty have been provided to eradicate the bucket system. A task team to consider the relocation plan has been set up and consists of the Provincial Department of Human Settlements and Lesedi Local Municipality.

Mixed Land use

The proposed township of Rensburg Extension 4 is situated on portion 68 of the farm Houtpoort 392 IR. The general plan Number 5978/1978 Rensburg Extension 2 has been cancelled and substituted with Rensburg Extension 4, which is being aligned to modern principles towards sustainable human settlements.

Rensburg Extension 4 will fulfill the principles of "Breaking New Ground". The township falls within the urban edge of the municipality which aims to create infill development by encouraging high and low density developments. The proposed township will consist of residential and non-residential land uses, which will be inclusive of subsidized housing, bonded housing and high rise rental housing. This is envisaged to follow the guidelines of the Financed Linked Individual Subsidy Program. Currently the process of township proclamation is being undertaken. The conditions of establishment have been approved by the Council. Furthermore the development links with the Lesedi R23 Precinct Plan.

Kwazenzele

Kwazenzele Phase 2 was identified by the Lesedi Local Municipality as a potential land for housing development for the beneficiaries residing in Kwazenzele Informal Settlement.

This project is intended to address the overflow at the Kwazenzele Informal Settlement as the current project (Kwazenzele Phase 1) was not be able to cater for the entire Informal Settlement. The project will consist of 2500 stands. Feasibility Studies have already been conducted, Geo-tech and EIA studies were conducted and they are both positive. The Professional Resource Team responsible for Layout design, Surveyor General Plan, Engineering design and beneficiary administration has been appointed. All the design stage will be completed by the end of October 2015.

Impumelelo Extension 3 and 4

Impumelelo Extension 3 & 4 was identified by the Lesedi Local Municipality as a potential land for housing development for the beneficiaries residing at the Impumelelo Informal Settlements and backyards.

This project is intended to address the overflow at the Impumelelo Informal Settlement as the current project (Impumelelo Extension 2) was not be able to cater for the entire Informal Settlement as well as the backyards. The project will consist of 3400 stands, however only Impumelelo extension 3 will be developed at this stage and it consists of 1000 stands. The Provincial Department of Human Settlements is facilitating the land purchase from the private owner.

Transfers

The Municipality has appointed a panel of Conveyancers/Attorneys from its Procurement Panel System to transfer properties from Municipal to private ownership. The non-transfer of properties into the owner's names has a negative impact on the Municipal revenue collection and the assets register. As a result, property owners only pay for consumption and not property rates. In terms of the Local Government: Municipal Property Rates Act, 2004 all property owners must be billed for rates and taxes. These properties range from properties that were never transferred by the erstwhile dispensation of Nigel, Heidelberg Town Councils and Vischkuil and Devon Town Committees. This backlog is estimated to three thousand properties.

Data cleansing

Lesedi Local Municipality is in the process of updating its records of all property information across Municipal boundary, this will include all properties privately and publicly owned, occupied or not occupied and serviced by Lesedi Local Municipality. LLM has cases where bills are sent to wrong people and cases where those occupying properties and consuming services are not properly billed. The correctness and improved integrity of the municipality's billing data will enhance our revenue and ensure that we continue to provide quality services to all residents.

The data cleansing project has revealed that the lack of a fully functional Geographic Information System contributes to revenue loss. The correctness of the municipal valuation roll also contributes to revenue generation within the municipality. This further entails physical verification of properties.

Allocation of houses

The Municipality has approved guidelines for housing allocations in order to facilitate a fair, equitable, transparent, and inclusive selection and housing subsidy applications and approval processes for all housing development projects aimed at creating sustainable human settlements. The guidelines shall provide a framework that will encourage the use of a demand data base.

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This information will guide planning and research by providing information on the housing needs of the communities. To ensure fairness and transparency, the housing data base will be updated as and when the Provincial Department of Human Settlements is embarking on a project. The data base shall have an overall list of all housing applicants in every area. It will indicate the total number of beneficiaries per targeted area. The demand will then be determined and categorized in different demographic profiles and accommodation typologies needs.

A National Housing Demand Data Base has been established. This National Housing Demand Data Base will be the only official Data Base from which prospective beneficiaries will be selected and approached to complete housing subsidy applications forms for approval by the MEC.

Preference should be given to the most needy households when allocating housing subsidies. The Council has regularized six hundred and eighty one (681) stands to provide tenure rights to beneficiaries. The latter can develop their own properties without relying on the subsidy linked support from government. Provincial Government has been approached to assist with the transfer of these properties.

Community Residential Units (CRUs) and Rental Stock.

The CRU programme replaces the National Hostel Re-development Programme. The CRU programme is complementary to, and runs parallel to the National Social Housing Programme but services a different target market. The CRU programme aims to facilitate the provision of secure, stable rental tenure for lower income persons.

A total of 200 CRU units are currently under construction in Shalimar Ridge. The project is being financed by the Department of Human Settlements. The municipality will take over the management and control of the facility after completion. The CRU programme will remain for public to rent and cannot be sold or transferred to individual residents. Residents therefore have no pre-emptive right to purchase the housing stock.

The Community Residential Units in Shalimar Ridge and Protean Road in Ratanda will be rented out to the public at a market related rental. The units consist of 2 bedrooms 1 bathroom and a toilet. They measure 45m² each.

Municipal flats in Rensburg are being transformed to generate revenue and allow for maintenance on the basis of cost reflective rates.

Percentage of households with access to basic housing from 2011/2012 to 2014/2015			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2011/2012	27 840	23 900	85.8%
2012/2013	28 990	25 010	86.3%
2013/2014	29 968	25 636	85,5%
2014/2015	30 868	26 536	86,0%

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Service Objectives	Outline Service Targets	2013/14		2014/2015		
		Target	Actual	Target	Actual	
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Optimise systems, administration (Housing and planning)						
Optimise systems, administration	Number of building inspections conducted	139	400	900	1000	950
	Turnaround time for finalising building plan approvals from the date of receipt of application fees	10 days	10 days	10days	10days	10days
	Number of geographic information systems (GIS) spatial upgrades	4	4	1	1	1
	Number of maps requested from (GIS) provided within 5 working days of request.	20	23	20	25	23
	Number of housing sector plans coordinated with the department of Human Settlements	0	2	0	1	3
	Number of RDP houses allocated to beneficiaries on RDP housing waiting list.	1300	300	1300	956	152
	Hectares of vacant land identified and made available for low income housing development		72		75	75
	Number of illegal advertisement inspections conducted	80	335	80	600	700
	Number of applications for municipal advertisement billboards and advertising posters approved	1	1	1	3	1
	Number of building call out inspections approved	900	800	900	1000	950

Employees: Housing Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					
4 - 6	1	1	1	0	0%
7 - 9	3	3	2	0	0%
10 - 12	6		6	0	0%
13 - 15	1	1	1	0	0
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	13	13	13	0	0

Financial Performance 2014/15 : Housing Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2 197	5 041	2 089	659	13%
Expenditure:					
Employees	4 223	5 028	5 155	4 924	98%
Repairs and Maintenance	–	55	5	38	69%
Other	11 789	7 957	8 208	15 236	-92%
Total Operational Expenditure	16 012	13 040	13 368	20 198	-55%
Net Operational Expenditure	13 815	7 999	11 279	19 539	-44%

Over the years the LLM has managed to facilitate the delivery of over 9000 houses and formalized 705 informal stands in the area. The municipality has been able to address about 60% of housing delivery backlogs, however due to continuous migration problems into the area, the housing backlog remains high.

The LLM has put in place mechanisms to monitor & control land invasions in the area and an audit of all informal settlements were conducted by the service provider. Furthermore, the Department of Local Government & Housing has allocated funds for the installation of services at Obed Nkosi and this will assist in the reduction of the current housing backlog.

3.16 FREE BASIC SERVICES AND INDIGENT SUPPORT

The purpose of the policy is to ensure that the subsidy scheme for indigent households forms part of the financial system of the municipality and to ensure the same procedure be followed for each individual case in a fair and equitable manner.

The criteria used for households to qualify for indigent support is as follows:

Subsidy, within the financial ability of the municipality, be allocated to owners, be allocated to owners of premises who receive electricity, water and sewerage or refuse removal services from the municipality in respect of charges payable to the municipality for such services.

The household income must not be more than twice state old age pension. Income of all households was considered, excluding child support and disability grants.

Only one application per person in respect of one property shall qualify for consideration per household. A business, body corporate, association, club or governing body shall not qualify for consideration.

The subsidy will not apply in respect of households owning more than one property, who will therefore not be classified as indigent.

Free Basic Services To Low Income Households									
	Households earning less than R1,100 per month								
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
	Total	Access	%	Access	%	Access	%	Access	%
2011/12	24 300	950	4%	950	4%	950	4%	950	4%
2012/13	24 350	1 612	7%	1 612	7%	1 612	7%	1 612	7%
2013/14	24 241	3 769	16%	3 769	16%	3 769	16%	3 769	16%
2014/15									

During the financial year the municipality employed strategies to increase the indigents register and previously the turn-around time for approval was long. This involved the procurement of a system that is able to assist the municipality in its decision making process of determining whether an applicant qualifies and the scrapping of the use of the screening committee. Mass indigent registration campaigns were conducted resulting in over 100% increase on the indigent register.

3.17 ROADS

Lesedi local municipality has approximately 266 kilometers of paved roads and 334 km of gravel roads. The main focus of the section is to reduce the backlog of the provision of appropriate paved roads

The primary objective of roads focus on the following:

To upgrade gravel residential roads to paved roads, focusing on previously disadvantaged townships to improve the mobility and quality of life of the affected areas.

The maintenance of gravel roads in formal and informal areas to enhance access to those areas.

The execution of patching, rehabilitation, erecting of speed humps and resurfacing of paved roads to prevent the deterioration of the existing infrastructure as well as the safety of the public.

To improve the construction of major roads in order to reduce congestion and facilitate economic development.

Gravel Road Infrastructure				
				Kilometres
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year -2	350	0	6	350
Year -1	344	0	10.34	344
Year 0	334	0	7	334

Tarred Road Infrastructure					
	Kilometres				
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
Year -2	202	-	4	5	202
Year -1	202	-	5	5	202
Year 0	202	-	4	5	202

Cost of Construction/Maintenance						
	R' 000					
	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
2012/13	-	3 434 700	300 000	3 799 480	-	2 518 260
2013/14	-	3 675 129	335 000	4 042 000	-	2 679 000
2014/15	-	3 932 388	370 000	4 300 000	-	2 850 000

Road Service Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2013/14		2014/15			2015/16
		Target	Actual	Target		Actual	Target
Service Indicators		Previous Year		Previous Year	Current Year		Current Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Service Objective: Improve access to basic roads & stormwater services							
Upgrade Roads & Stormwater	Completion of upgrading of gravel roads	12.6 km of roads built	12.6km roads built	12.6 km of roads built	6.5km roads upgraded	4.5km	R26m
Road Resealing	% of roads to be Resealed as per planned schedule	50% roads resealing	0 budget constraints	50%	100%	95%	R4.5m
Maintenance of Roads & Stormwater	Repair & maintain roads & stormwater	R3 mil Revised budget R2.2mil	a) 0%	R3 mil Revised budget R2.2mil	R3 mil Revised budget R2.2mil	a) 0%	R2.2m

Employees: Road Services					
Job Level	2013/14		2014/15		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	31	31	31	0	0%
4 - 6	13	13	13	0	0%
7 - 9	2	2	2	0	0%
10 - 12	1	1	1	0	0%
13 - 15	0	1	1	0	0%
16 - 18	1	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	48	48	48	0	0%

Financial Performance 2014/15 : Road Services					
					R'000
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	184	183	183	176	96%
Expenditure:					
Employees	6 204	8 715	7 622	7 836	90%
Repairs and Maintenance	1 958	2 058	3 047	6 368	-9%
Other	3 287	7 697	8 058	9 264	-20%
Total Operational Expenditure	11 449	18 470	18 727	23 468	-27%
Net Operational Expenditure	11 265	18 287	18 544	23 292	-27%

Capital Expenditure 2014/15: Road Services					
					R' 000
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total	30 387	39 574	29 630	98%	–
Roads Resealing	3 850	3 050	677	18%	–
Roads Lesedi MIG	25 037	36 037	28 676	-15%	–
Roads Lesedi Own Funded	1 500	487	277	19%	–

The road network in Lesedi stretches for 692 Kilometres (km). Surfaced or paved road have been provided to almost all Extensions in Lesedi. The roads in Vischkuil and other Agricultural Holdings are gravel roads and are maintained by the LLM. The total backlogs in RDP houses for roads & stormwater in Lesedi area 37 km.

3.18 WASTE WATER (STORMWATER DRAINAGE)

Storm-water runoff is considered a common enemy and each property owner may fight it off or control it by retention, diversion, repulsion or altered transmission. The focus of the common enemy rule has two focal points.

The need to make improvements to property, with the acknowledgement that some damage results from even minor improvements; and

The principle of granting each landowner as much freedom as possible to deal with his land essentially as he sees fit.

The primary objective Storm-water focuses on the following:

- The upgrading and installation of new storm-water systems related to the upgrading of paved roads, focusing on previously disadvantaged townships.
- The construction of new major Storm water systems to address flooding & erosion challenges.
- The maintenance of storm-water systems.
- The development of policies and procedures to address the growth in storm-water runoff resulting from developments.
- The responsibility to preserve the natural environment.
- The need to strive for a sustainable environment while pursuing economic development.
- The desire to provide the optimum methods of controlling runoff in such a way that the main beneficiaries pay in accordance with their potential benefits.
- The need to protect the health, welfare and safety of the public, and to protect property from flood hazards by safely routing and discharging storm-water from developments.

Stormwater Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2013/14		2014/15		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Service Objective: Improve access to basic roads & stormwater services						
Upgrade roads & Stormwater	a) Upgrade roads in Lesedi within approved budget. Total roads to be built is 12,36km (Ext 23/26) b) Budget R34,1 mil	12.6 km of roads to be rebuilt.	12.6 km built.	12.6 km of roads	6.5km	4.5km
Maintenance of roads & Stormwater	Resealing of roads in Lesedi	50% completion of resealing of roads	a) 0%	50% completion	95% completion	95% completion of roads resealing

Employees: Stormwater Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	6	6	6	0	0%
10 - 12	4	4	4	0	0%
13 - 15	3	3	3	0	0%
16 - 18	0	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	13	14	14	0	0%

Financial Performance 2014/15: Stormwater Services					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Expenditure:					
Employees	6,020,384	10,357,633	9,443,456	9,403,144	-0.43%
Repairs and Maintenance	1,957,729	2,057,500	3,597,000	6,368,346	77.05%
Other	15,043,410	129,992	217,886	215,092	9.87%
Total Operational Expenditure	17,001,13	2,187,492	3,814,886	6,583,438	72.57%
Net Operational Expenditure	23,021,523	12,545,125	13,258,342	15,986,582	20.58%

A stormwater system of 2 km was constructed in Heidelberg Extension 23 and 26.

3.19 PLANNING AND DEVELOPMENT

The Municipality has participated and contributed to the process leading to the implementation of the Spatial Planning and Land Use Management Act of 2013 (Act 16 of 2013) that was enacted to provide a framework for spatial planning and land use management in the whole of South Africa. It is seeking to specify the relationship between the spatial planning and the land use management system and other kinds of planning; to provide for the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government; to provide a framework for the monitoring, coordination and review of the spatial planning and land use management system; to provide a framework for policies, principles, norms and standards for spatial development planning and land use management; to address past spatial and regulatory imbalances; to promote greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications; to provide for the establishment, functions and operations of Municipal Planning Tribunals; to provide for the facilitation and enforcement of land use and development measures; and to provide for matters connected therewith.

Council took note of the Act (SPLUMA) and when the Regulations were promulgated, it took note and initiated a process of enabling implementation. The process to initiate the development of by-laws to enable the implementation of the Act has received due support from the Municipality. Interactions with the South African Local Government, Gauteng Chapter and the Department of Rural Development and Land Reform bear testimony.

Spatial Development Framework (SDF)

The SDF was reviewed in line with the Spatial Planning and Land Use Management Act, District and Gauteng spatial development perspectives.

Allocation of amendment scheme

Numerous rezonings, sub-divisions and consent land-use applications are constantly submitted to Council for consideration.

Development application

The Department LEDP has made significant strides to reduce turnaround times in the approval of development applications (90 days). Speedy approval of applications in this regard has contributed to a decrease in cost of doing business and has increased the number of investments.

3.20 PLANNING

Spatial Development Framework (SDF)

The SDF was reviewed in line with the existing provincial and district's spatial development perspective. Incorporated within the SDF is the Nodal and Corridor Development Study which identified primary and secondary corridors and nodal point for future development within the area.

Allocation of amendment scheme

Numerous rezoning, sub-division and consent land-use applications are constantly submitted to Council for consideration. A target of four weeks has been set by the department to address all above mentioned applications.

Development application

The Department of Development and Planning has made significant strides to reduce turnaround times in the approval of development applications. Speedy approval of applications in this regard has contributed to a decrease in cost of doing business and has increased the number of investments attracted into the municipality.

Applications for Land Use Development

Detail	Formalisation of Townships		Rezoning		Built Environment	
	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
Planning application received	5	1	22	19	480	520
Determination made in year of receipt	4	1	20	19	420	490
Determination made in following year	1	0	2	0	45	56
Applications withdrawn	0	0	0	0	4	0
Applications outstanding at year end	0	0	0	0	0	0

Built Environment						
Service Objectives	Outline Service Targets	2013/14		2014/2015		
Service Indicators (i)		Target Previous Year (iii)	Actual (iv)	Target Previous Year (v)	Current Year (vi)	Actual (vii)
Optimise systems, administration (Planning)						
Optimise systems, administration	Number of building inspections conducted	139	400	900	1000	950
	Turnaround time for finalising building plan approvals from the date of receipt of application fees	9 days	10 days	10	10	10
	Number of geographic information systems (GIS) spatial upgrades	4	4	1	1	1
	Number of maps requested from (GIS) provided within 5 working days of request.	20	23	20	25	23
	Number of housing sector plans coordinated with the department of Human Settlements	0	2	0	1	3
	Number of RDP houses allocated to beneficiaries on RDP housing waiting list.	1300	300	1300	956	152

Built Environment						
Service Objectives	Outline Service Targets	2013/14		2014/2015		
		Target	Actual	Target	Actual	
Service Indicators (i)	(ii)	Previous Year (iii)	(iv)	Previous Year (v)	Current Year (vi)	(vii)
	Hectares of vacant land identified made available for low income housing development		72		75	75
	Number of illegal advertisement inspections conducted	80	335	80	600	700
	Number of applications for municipal advertisement billboards and advertising posters approved	1	1	1	3	1
	Number of building call out inspections approved	900	800	900	1000	950

Employees: Planning Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	3	3	3	0	0%
7 - 9	2	2	2	0	0%
10 - 12	8	8	8	0	0%
13 - 15	2	2	2	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	16	16	16	0	0%

Financial Performance 2014/15 : Planning Services					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Expenditure:					
Employees	4 222	10 292	9 729	9 039	-7.10%
Repairs and Maintenance	149	55	76	38	-50%
Other	452	11 519	11 301	17 848	57.93%
Total Operational Expenditure	4 674	21 866	21 106	26 925	27.57%

During the year under review the department facilitated numerous land use applications with the jurisdiction of Lesedi Local Municipality. These applications were in a form of township applications, rezoning, sub-divisions, land consolidation, consent use and removal of restrictions. Phase two of Obed Nkosi township establishment which is one of the flagship projects in the province was approved. Phase two consists of 2000 mixed housing units which forms part of the integration between the old Ratanda township and Heidelberg. The council approved the rezoning application for the water bottling plant which is the biggest plant in the Southern African hemisphere. The Council also approved the following townships along the N3 and R42 primary corridors:

- Jameson Park Township along the N3 corridor which forms part of the Tambo Springs Inland Terminal Port
- Transnet Terminal Port was approved along the R42 corridor
- Floracadia Industrial Township
- Equestrian Estate

3.21 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

In the course of implementing the LED strategy, the Municipality has incorporated its key deliverables to the performance scorecard of the organisation. Every Department provides quarterly reports towards its implementation. Furthermore in order to forge partnership, the Municipality issued a Request for Proposals for the implementation of the LED strategy. All the respondents are included in the panel of service providers which informs our procurement processes. The proposals received range from attracting investors through the development of existing industrial property, township revitalization, nodal development to development of amenities and service centers in rural areas. This is a major turnaround to economic development in the area. Progress in this regard will be the subject of the subsequent annual report.

During this period the Municipality has endeavored to attract catalytic investments in the area in the form of the following initiatives:-

- Development of Rensburg Extension 4: Township Establishment underway: layout approved: mixed land use development to accommodate 621 stands. Township proclamation is pending.
- Development of storage facility on farm Maraisdrift: 24 hectares of the commonage have been disposed of to Vopak/Reatile: during construction 500-2000 temporary jobs will be created with the hope that upon completion, 100- 150 permanent jobs will be created. Construction activities are expected to resume in 2015.
- Contractor development programme is underway to create capacity to emerging contractors in the form of development of roads in Impumelelo, Refurbishment of the stadium in Impumelelo and electrical reticulation of houses in Obed Nkosi Township.
- Review of the Spatial Development Framework with the aim of aligning it with the Spatial Planning and Land Use Management Act.
- Management of Heritage Assets namely the Heidelberg Transport Museum and the AG Visser Museum.
- An enterprise development policy is in place and has made it a prerogative of the Council to break every project to impact on jobs and skills development.
- The LED strategy has come up with the hosting of an annual event to attract investors and tourists to the area which has formed part of the Municipal Financial Planning process.

For social relief a Community Work Programme is underway and employs 1100 unemployed youth, women and people with disabilities while on the other hand the Extended Public Work Programme has created forty three jobs opportunities in the Environment and Culture sector. 208 job opportunities were created through the Eco-furniture Factory that is operating on the farmstead of the Municipal Commonage. The latter project is a joint initiative with the Department of Environmental Affairs. The project is run on a contractor development model where it is currently employing eight contractors who are harvesting timber from invasive vegetation.

In the area of Human Settlements, 954 houses have been constructed in Obed Nkosi Township. Occupation is subject to electrical reticulation that is currently underway. 24 Community Residential Units in Ratanda are being electrified while 200 similar units in Shalimar are to be finalised this year, 2015. They will form part of the Municipal Rental Stock.

- Reduce unemployment and poverty through the creation of sustainable job opportunities.
- Encourage enhanced integration between Heidelberg and the region's townships and rural communities.
- Coordinate LED with the wider development interventions occurring in the municipality.

The strategy translates into opportunities which are clustered into the following five development pillars:

- Agriculture and Agro-Processing
- Small Business and Retail
- Urban and Township Revitalisation
- Tourism Development
- Transport and Logistics

In the course of implementing the LED strategy, the Municipality has incorporated its key deliverables to the performance scorecard. Every Department provides quarterly reports towards its implementation. Furthermore in order to forge partnership, the Municipality issued a Request for Proposals for the implementation of the LED strategy. All the respondents are included in the panel of service providers which informs our procurement processes. The proposals received range from attracting investors through the development of existing industrial property, township revitalisation, nodal development to development of amenities and service centres in rural areas. This is a major turnaround to economic development in the area. Progress in this regard will be the subject of the subsequent annual report.

During this period the Municipality has endeavored to attract catalytic investments in the area in the form of the following initiatives:-

Development of Heidelberg Extension 25: Heidelberg Mall : 891 permanent jobs created

- Development of Rensburg Extension 4: Township Establishment underway: layout approved: mixed land use development to accommodate 621 stands.
- Development of storage facility on farm Maraisdrift: 24 hectares of the commonage have been disposed of to Vopak/Reatile: during construction 500-2000 temporary jobs will be created with the hope that upon completion, 100- 150 permanent jobs will be created. Construction activities are expected to resume in 2015.
- Contractor development programme is underway to create capacity to emerging contractors in the form of development of roads in Impumelelo, Refurbishment of the stadium in Impumelelo and electrical reticulation of houses in Obed Nkosi Township.

- Review of the Spatial Development Framework with the aim of aligning it with the Spatial Planning and Land Use Management Act.
- Management of Heritage Assets namely the Heidelberg Museum and the AG Visser Museum.
- An enterprise development policy is in place and has made it a prerogative of the Council to break every project to impact on jobs and skills development.
- The LED strategy has come up with the hosting of an annual event to attract investors and tourists to the area which has formed part of the Municipal Financial Planning process.

For social relief a Community Work Programme is underway and employs 961 unemployed youth, women and people with disabilities while on the other hand the Extended Public Work Programme has created forty three jobs opportunities in the Environment and Culture sector. 208 job opportunities were created through the Eco-furniture Factory that is operating on the homestead of the Municipal Commonage. The latter project is a joint initiative with the Department of Environmental Affairs. The project is run on a contractor development model where it is currently employing eight contractors who are who are harvesting timber.

In the area of Human Settlements, 699 houses have been constructed in Obed Nkosi Township. Occupation is subject to electrical reticulation that is currently underway. 24 Community Residential Units in Ratanda are being electrified while 200 similar units in Shalimar are to be finalised this year, 2015. They will form part of the Municipal Rental Stock.

During the period under review, sixty three SMMEs benefited from the Municipal Procurement opportunities arising out of transactions above R100 000.00.

Economic Activity by Sector			
			R '000
Sector	2012/13	2013/14	2014/15
Agriculture, forestry and fishing	41 099	43 565	45 644
Mining and quarrying	121 123	128 390	129 453
Manufacturing	900 383	954 406	953 422
Wholesale and retail trade	341 933	362 449	364 458
Finance, property, etc.	814 334	863 194	865 172
Government, community and social services	667 153	707 182	721 152
Infrastructure services	178 367	189 069	192 846
Total	3 064 392	3 248 255	3 272 147

Economic Employment by Sector			
Sector	2012/13	2013/14	Jobs
	No.	No.	No.
Agriculture, forestry and fishing	773	804	825
Mining and quarrying	339	350	358
Manufacturing	2 272	2 321	2311
Wholesale and retail trade	4 137	4 231	5004
Finance, property, etc.	4 606	4 664	4887
Government, community and social services	6 409	6 525	6667
Infrastructure services	1 357	1 868	1924
Total	19 895	20 763	21976

The Municipality has initiatives that derive short-term employment opportunities in the form of the Extended Public Works Program and Community Work Program. Various policies have been adopted to align the Municipality with the job creation imperative namely the Supply Chain Management Policy is being fine-tuned to make emphasis on enterprise development through the development of Enterprises Policy. The same is said around the regulation of informal traders where an Informal Traders Policy is at an advanced stage and will culminate into a by-law.

Jobs Created during 2014/15 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Number of jobs created through LED programmes and initiatives (Heidelberg Mall)	799	None	None	Flannagan & Gerad reports

Job creation through EPWP projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Alien Vegetation Eradication LLM & GDARD	1	45
Eco-Furniture Factory	1	280
Community works program	1	1 100
Maintenance of cemeteries	1	10
Maintenance of parks	1	5
Maintenance of sports field	1	5
Development of roads	1	179

Local Economic Development Policy Objectives Taken From IDP				
Service Objectives	Outline Service Targets	2014/15		
		Previous Year	Current Year	current year
Service Indicators				
(i)	(ii)	Actual	Target	Actual
Service Objective: The establishment of local tourism association would be a vehicle used to organize and equip local communities, including those in defined poverty areas, to service the tourism industry and generate benefits for themselves. The benefits of creating an association or partnership are many and varied, including assistance with strengthening rural regeneration, caring for the countryside and preserving physical and cultural heritage.				
Infrastructure For Informal Traders	Provision of stalls for informal traders in Heidelberg CBD	20	0	0
Number of functional local economic development structures	Number of forums in place	1	8	3
Number of economic development partnerships with private businesses	Partnerships with the private sector in order to improve economic development.	2	7	5
Implementation of LED Strategy	Roll out of the LED plan in order to meet objectives to LED stakeholders.	0	7	5
Number of enterprises awarded contracts within LED	Number of enterprises awarded procurement opportunities with the municipality	20		63

Employees: Local Economic Development Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	2	2	2	0	0%
7 - 9	0	1	1	1	100%
10 - 12	2	2	1	1	50%
13 - 15	0	0	2	2	100%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	5	6	7	4	14%

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Alien Vegetation Eradication LLM & GDARD	1	45
Alien Vegetation Eradication LLM & DEA	1	67
Eco-Furniture Factory	1	94
Community works program	1	1 100
Food for waste	1	100
Maintenance of cemeteries	1	10
Maintenance of parks	1	5
Maintenance of sports field	1	5
Storm water channels	1	10
war on leaks	1	20
waste water works	1	5
waste collection	1	8
Maintenance of transfer station	1	7
Development of roads	1	179
Eco-Furniture Factory	1	94

Financial Performance 2014/15 : Local Economic Development Services				
R'000				
Details	2013/14	2014/15		
	Actual	Original Budget	Actual	Variance to Budget
Total Operational Revenue	1 858	1 585	1 837	-16%
Expenditure:				
Employees	2 275	5 264	4 116	78%
Repairs and Maintenance	0	0	0	0%
Other	1 305	3 462	2 611	75%
Total Operational Expenditure	3 580	8 726	6 727	81%

Capital Expenditure 2014/15: Local Economic Development Services					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total	–	490	23	95%	
Waste Project	–	490	23	95%	

The Municipality's capital expenditure is mainly directed towards Roads Infrastructure Development where a large part of investment is derived from the Municipal Infrastructure Grant. A process is underway to align the latter with broader development objectives of the Municipality such as to focus on other development goals like community facilities, township development to name a few. As soon as a comprehensive strategy is developed, the cost benefit analysis will inform the planning and budget of the Municipality.

COMMUNITY & SOCIAL SERVICES

The Department of Community Services renders various services such as Sport & Recreation, Social Development, Environmental Health, HIV & Aids, Traffic, Fire & Rescue services, Library Services, Facilities & Amenities, Parks and Cemeteries to the broader community of Lesedi. Indigent burials are conducted to needy families in accordance with applicable indigent funeral policy.

3.22 LIBRARIES; MUSEUMS; COMMUNITY FACILITIES

Schedule 5, Part of the constitution of the Republic of South Africa, 1996 provides for the exclusive provincial legislative competence of libraries, in essence the function is rendered through a Service Level agreement with province (conditional DAC funding). Business plans are compiled and submitted to province to access funds for the obligations as contained in the Service Level agreement.

OBJECTIVES

- Support and stimulate the social economic, educational, cultural recreational, scientific research, technological and information development of Lesedi community
- Provide optimal access to relevant services (e.g. Facilities, Social Development, Traffic, Fire & Rescue, HIV & AIDS and Environmental Health.) to the community in an economic and cost reflective manner;
- Promote basic and fundamental literacy, information literacy, and a culture of reading;
- Harness new information and communication technologies (ICT) to improve integration, equity and quality of Library and Information Services;
- Support and stimulate the social, economic, educational, cultural, recreational, scientific research, technological and information development of Lesedi.
- Provide optimal access to relevant information to every person in an economic and cost effective manner.
- Promote basic and fundamental literacy, information literacy, and a culture of reading.
- Harness new information and communication technologies (ICT) to achieve improved integration, equity, cost effectiveness and quality in Library and Information Services.
- Make available the National Documentary Heritage and facilitate access to the world's information resources to all, including people with disabilities.
- Provide for the preservation of the National Documentary Heritage, and provide conservation services.

Training

- Book Circulation training 1 x Librarian Trained
- Cataloguer was also trained in cataloguing

Community Program

As mentioned air conditioners and counter were installed at Rensburg Library

- ICT
- Library Management Software Licenses (18)
- Upgrade Symphony from 3.4 to 3.5
- Anti-Virus License renewal
- Wireless radios purchased for communication purposes with remote libraries
- Maintenance of copy machines
- Purchase of 1 photo copy machine for Extension 23 library.

Book purchased 2014/2015 financial cycle

- Books (Quantity 10 750 books) R1 772 million
- Periodicals and Newspapers R 34 023.00.00

HIGHLIGHTS/PROJECTS

- VISCHKUIL
- implementation of "Born to Read" programme.
- Crochet is on course with 20 women participating in the project and is continuing

PROGRAMMES

- Siyathuthuka money saving programme
- Girl Talk programme (Informative talks with young girls)
- Save as you grow – Motivate young children to work and save money

DEVON

- Establishment of Doring Rosies: Pensioners

IMPUMELELO

- Implement crochet program
- Annual new membership: 1326
- Book circulation 36 658
- ICT users: 35 405
- New books purchased: 10 750
- Periodicals and Magazines 67
- Programmes implemented: 109
- Contractual staff employed: 14
- Educational toys purchased:
- Installation of jungle gyms:
- Extension 23 and Vischkuil 2
- Licenses & Symphony upgrade: 16
- Asset Verification: 0 (I process)
- Purchased 6 working stations for RFID

Service Objectives	Outline Service Targets	2013/2014		2014/2015
		Target	Actual	Target
		Previous Year		Previous Year
(i)	(ii)	(iii)	(iv)	(v)
Service Objective: Providing of Sports, Recreation, Arts, Culture and Library Services				
Access to library and information services	Books, Audio Visual Material, Newspapers, Periodicals and information availed	32000materials circulated	37462 materials circulated	32000 materials circulated
	Number of new members	1500	1474	1500
	Number of Internet Users	20000	44222	20000
Programs implemented		1000	1624	1000

Employees: Libraries; Museums; Community Facilities; Other					
Job Level	2013/2014	2014/2015			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	
0 - 3	81	81	81	0	0
4 - 6	14	14	14	0	0
7 - 9	25	25	25	0	0
10 - 12	16	17	16	1	6%
13 - 15	1	2	2	0	0
16 - 18	0	1	1		100
19 - 20	0	0	0	0	0
Total	137	140	139	1	0.7

Financial Performance 2014/15: Libraries; Museums; Community Facilities; Other					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3 998	1 273	1 691	1 819	-43%
Expenditure:					
Employees	4 067	3 534	3 659	4 394	-24%
Repairs and Maintenance	38	0	0	115	100%
Other	2 573	516	394	2 630	65%
Total Operational Expenditure	6 678	4 050	4 053	7 139	-76%
Net Operational Expenditure	2 679	2 777	2 362	5 320	-92%

Capital Expenditure 2014/15 : Clinics Facilities; Other					
R' 000					
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	2 620	2 620	100%	
Equipment	0	60	60	100%	
TOY LIBRARIES	0	30	30	100%	
LIBRARY BOOKS		1 500	1 500	100%	
SOFTWARE (ICT)		280	280	100%	
RFID TECHNOLOGY		700	700	100%	
FURNITURE LIBRARY	0	30	30	100%	

The library books were initially accounted on GRAP 103 standard for library assets. It was later confirmed that library material must be accounted for in terms of GRAP 17. The outcome revealed 80% of library assets were correctly processed and 20% were not catalogued, materials with errors were dedicated to an area for corrections.

All assets verified as newly identified assets were defaulted the status: Assets under Construction (AUC), they've been bar-coded but not yet catalogued.

All assets per category for which no value was found were defaulted to the average price of R96.09 for books and R96.27 for audio visuals assets.

Two libraries were constructed and one handed over to the municipality and other is viewed as work in progress due to construction snacks.

3.23 CEMETERIES

Lesedi Local Municipality maintains ten (10) different cemeteries of which five (5) are still operational. This includes two sub-regional cemeteries namely: Ekuthuleni in Ratanda and Ekuphumuleni, servicing Devon and Vischkuil. Ekuthuleni was extended due to the fact that initial phase reached its capacity. The municipality is providing grave facilities in accordance to different religion e.g. Muslim, Hindu, protestant, Jewish etc. Graves are prepared in advance. Registered funerals are captured in the database for future references. Tombstones are erected subject to approval by municipality in terms of the cemetery by-laws. Cemeteries are being regularly maintained by parks section. Crematorium services are conducted out of the area in the neighbouring towns.

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

MAINTENANCE OF CEMETERIES AND PREPARATION OF GRAVES

Graves prepared as well as cleaning and applying of weed killer at Kamp-, Ekuthuleni-, Ekuphumuleni- and Old Ratanda Cemeteries

Weed killer applied on road verges, cemeteries and paved areas in Lesedi Local Municipality before winter.

Monitor Red Data plant species listed in Lesedi area in collaboration with GDACE on a regular basis. New Delosperma specimens collected for study in Suikerbosrand Nature Reserve.

MAINTAIN PARKS AND CEMETERIES TO ACCEPTABLE STANDARDS ACCORDING TO PROGRAM

- Sidewalks, open spaces parks and open areas: cutting of grass on a rotation basis which was started in spring continued, according to the Parks Maintenance Program until beginning of winter.
- Open stands: Heidelberg, Rensburg, Ext 9, Jameson Park, Ratanda and Devon/Impumelelo, were cut for a last round where necessary before winter (152 stands serviced).
- Parks: Flower beds in all Heidelberg, Ratanda and Devon Areas were prepared and cultivated.
- Alien Trees were eradicated in Rensburg through alien tree removal project, in conjunction with GDARD.
- Winter Pruning of Trees: All Lesedi Local Municipality as required and according to complaints received, under electrical lines, branches reaching over fences and roads as well as fallen trees and branches.

- Maintenance of Sports fields: Heidelberg Bowling greens, Shalimar Ridge, Ratanda and Kwa Zenzele.
Extension of Ekuthuleni cemetery; the municipality is working on the tree stump plotting and preparing a tender document for the complete removal of stumps underground.
Illegal burial in KwaZenzele: An awareness meeting was held with the community attempting to indicate the consequence of illegal burial and the fencing of the area.
Tombstone permits issued: Ekuthuleni 338

LESEDI LOCAL MUNICIPALITY

Burials:	Kamp	89
	Ekuthuleni	675
	Ekuphumuleni	115
	Devon	12
	Muslims	1

Employees: Cemeteries and Crematoriums					
Job Level	2013/2014	2014/2015			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	6	6	6	-	-
4 - 6	28	28	28	-	-
7 - 9	8	8	8	-	-
10 - 12	2	2	2	-	-
13 - 15	0	0	0	-	-
16 - 18	0	0	0	-	-
19 - 20	0	0	0	-	-
Total	44	44	44	-	-

Financial Performance 2014/15: Cemeteries					
R'000					
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	822	1 890	1 372	1 239	-9.69%
Expenditure:					
Employees	1 043	1 270	1 762	1 695	-3.80%
Repairs and maintenance	–	–	–	–	–
Other	484	363	901	541	-39.96%
Total Operational Expenditure	1 528	1 633	2 663	2 236	-16.03%
Net Operational Expenditure	706	257	(1 291)	(997)	-22.77%

Capital Expenditure 2014/15 : Cemeteries					
R' 000					
Capital Projects	2014/15				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total	300	1 500	1 184	-21.06%	
Fencing of Kwazenzele illegal cemetery	300	1 500	1 184	-21.06%	
Fencing of Ekuthuleni Cemetery	–	–	–	–	

The KwaZenzele cemetery which was illegally operated is been fenced and closed for interment operations. Members of the community were in several meetings through stakeholder conduct interment at sub regional which is 8 Kilometers from Endicott/Vischkuil. An amount engagements urged to of R465 000.00 was spent on the installation of the fence. Destitute families were informed to register with the municipality in case there is such a death in the family or community.

Ekuthuleni cemetery has been extended after underground water reached the seepage in the first phase. This was as the result of the heavy rains. People were left without graves on the day but service was rendered on the unfenced second phase of the current site. An amount of R1 023 000.00 was spent for the installation of the fence and R46 000.00 was spent on the removal of eucalyptus trees. Project for the second phase of the extension of the cemetery is as follows:

- Construction of the ablution block;
- Construction of the cemetery internal roads; and
- Development of an Environmental Management Plan.

3.24 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Social development services are provided to the community of Lesedi. These services include aspects such as child and elderly neglect, accommodation for the destitute, awareness and education programmes and referral to other relevant organizations/departments. The department renders non-statutory services. All statutory cases are referred to provincial departments.

Family Support which include services such as:

- Pre and Marital including family and divorce Problems;
- Legal-Aid,
- Material Assistance to the destitute;
- Indigent Burials;
- Gender Based Violence;
- Children,
- Child Welfare;
- Facilitate Maintenance and Child Support Grants;
- Programme for the elderly, disabled and the vulnerable groups;
- Early Childhood Development (ECD) and Child Protection.
- Indigent funeral

Care of the aged

- Facilitate application for Social Grants.
- Applications to old age homes for those in need and neglected.
- Luncheon Clubs: Ensure balanced meals, physical exercise, recreation and outings.

Care of the disabled

- Facilitate applications for Disability Grants.
- Awareness programmes.
- Protective workshop: handwork and craft.

- Inspections at Child, old age and disabled care facilities are conducted by the Environmental Health Section and Health Reports/Certificates are issued to premises complying with legislative requirements.
- If during the inspections it is noticed that Social Services or any other type of support such as nutrition is needed, assistance is requested from relevant departments.

ECD:

ECD services have been identified as a priority to ensure that children will be school ready. A baseline audit has been conducted at all ECD centres whereby the qualification of all practitioners were analysed to determine training needs. In addition, the structural requirements were also audited to ensure that children will be in a safe environment, conducive for early learning. Hollard Trust assisted in compiling a strategic – and business plan, based on the outcome of the audit.

The municipality has established an inter-departmental forum that will be focussing on the strategy and operational plan and the implementation thereof. The forum consists of representatives from relevant departments and stakeholders to ensure that all aspects relating to ECD development are covered.

Currently 99 ECD centres operates in Lesedi.

Hollard Trust started training personnel at ECD centres on Child Development and Growth monitoring.

- A Toy Library has been availed by NDA (National Development Agency). The Toy Library is used for the stimulation of children at the different ECD centres. In addition, approximately 18 Practitioners are receiving training, which was arranged by NDA and the municipality to improve on the quality of care and education at ECD's.
- A partnership with Hollard Trust has been finalised for the improvement of Early Childhood Development. (Kago ya Bana).

ECD INSPECTIONS CONDUCTED

During inspections, aspects such as overcrowding, menu (nutrition), sanitation, safety, and other health related matters are considered and addressed.

FORMAL AND INFORMAL ECD INSPECTIONS			
2013/14	2014/15		
236	637		

LESEDI LOCAL MUNICIPALITY

Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Service Objective: Render Social Services to the Community of Lesedi						
Indigent Funerals	Provide Indigent funerals to households that qualify	100% applications	100% applications	100% applications	100% applications	100% applications
			12 Funerals			11 Funerals
Capacitate community (Identified Categories)	Educational & awareness programs	100% of budgeted programs	60% Due to financial matters	1	100% of budgeted programs	60% Due to financial matters
Improve quality of life of Disabled and Older persons	Support visits and educational Programs	100% of budgeted programs and support visits.	16 Programs and 396 Support visits.	100% of budgeted programs and support visits.	100% of budgeted programs and support visits.	4 Programs and 421 support visits.

Employees: Child Care; Aged Care; Social Programmes (Environmental Health & Social Personnel)

Job Level	2013/2014	2014/2015			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	5	5	5	0	0%
13 - 15	3	4	3	1	25%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	8	9	8	1	11%

No provision for capital budget on Child Care; Aged Care; Social Programmes. Provincial Social Development is currently responsible for all the programmes.

ENVIRONMENTAL PROTECTION

Environmental health services plays a minimal role with regard to pollution control. The main focus areas is land, water and air quality control within the scope of Environmental Health. Over and above the mentioned areas, this section is also responsible for medical waste management whereby it is ensured that all medical waste generators, clinics -, hospitals -, veterinary services -, and general practitioners premises, comply with the Gauteng Provincial Health Care Regulations.

- The municipality is excluded from the Vaal Priority Air-shed Plan but included in the Highveld priority Air-shed Plan
- All complaints relating to pollution control (air, noise; land; water and medical waste) were attended to.
- Cases outside our scope were referred to relevant departments.(e.g. Illegal dumping).

3.25 POLLUTION CONTROL

Lesedi has been included in the Highveld Priority Airshed Area to address air pollution. Even though Lesedi does not have an large industrial area that can impact negatively on the air quality, we do experience a negative impact on air quality due to cross boundary pollution.

An Air Quality Management Plan has been developed by the Highveld Priority Area. Lesedi needs to develop a local Air Quality plan based on local problems.

Due to the fact that a large part of the community is still making use of coal and wood for cooking and heating purposes, community members were educated by Central Energy Fund on the correct way of making fire. Where less air pollution is produced called (Basa Nje ngo Magogo)

Vehicle emissions also contribute negative air quality, especially heavy vehicles transporting goods on the N3 from and to Johannesburg and Kwa Zulu Natal. This matter will be addressed in the Local Air Quality Plan.

Environmental pollution as well as environmental protection is done by means of a program called Bontle ke Botho. Side walks are grassed and vegetable gardens are made to ensure not only the protection of the environment but also to assist community members to be able to provide food for themselves.

Illegal dumping is dealt with by Environmental Health as well as the Waste section.

LESEDI LOCAL MUNICIPALITY**3.26 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)**

Lesedi is endowed with a pristine environment. It has two nature reserves in the form of Alice Glockner and Suikerbosrand. Currently the area is experiencing good healthy atmosphere due to its scenic and pristine character.

The following projects were embarked upon:

- Eradication of invasive plants: Area from Heidelberg Kloof to Overkruin and Ext.12 (Berg-en Dal). During 2014/15 approximately 1000 invasive Blackwattle and Blue gum trees were cut and sprayed with weed killer.

Monitoring of Red Data species in Lesedi Local Municipality:

Five localities of *Khadia beswickii* occurring at Jameson Park as well as localities of *Nerine gracilis*, *Kniphofia typhoides* and *Gladiolus robertsoniae* occurring at Devon are monitored on a three monthly cycle in collaboration with the Red Data Co-ordinator, GDARD.

- A new locality for *Nerine Gracilis* was discovered in Heidelberg. It is the fortunate event for the area including Province. The original locality for *Khadia beswickii* is being visited and is viable and healthy.
- All Red Data species are monitored regularly in conjunction with the department of environment (GDARD).
- Chortolirion species were recently transferred to genus Aloe.
- Trees have been planted in the area of Lesedi as part of beautification programme.
- Articles were written by the Head of Parks for International Publications indicating the status of all mentioned plant species.

Service Objectives	Outline Service Targets	2013/14		2014/15		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Service Objective:						
Greening and beautification of the area	Planting of trees	300	300	300	300	
	Rate of Spraying of cemeteries with weed killer.	4	4	4	4	4
	Rate of Pruning of trees.	1	1	1	1	1
	Rate of Maintenance of open spaces	8	8	8	8	8
Development of open spaces	Establishment of parks.	2	2	2	2	1

Financial Performance 2014/15 : Bio-Diversity, Land Landscape					
					R'000
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	120	105	105	78	74%
Expenditure:					
Employees	7 723	8 509	8 377	8 326	98%
Repairs and Maintenance	17	27	16	11	41%
Others	1 508	1 423	1 111	1 257	88%
Total Operational Expenditure	9 248	9 959	9 504	9 594	96%
Net Operational Expenditure	9 128	9 854	9 399	1 179	6%
Capital Expenditure 2014/15 :Bio-Diversity; Landscape and other – Not applicable					

HEALTH

3.27 CLINICS

Primary Health Care Services, in terms of the Health Act, Act 61 of 2003, is the responsibility of the Provincial Health Department. The Local Authority was rendering this service on behalf of the Provincial Government up to March 2013.

3.28 AMBULANCE SERVICES

Ambulance services is a competency of Province.

3.29 HEALTH INSPECTION; FOOD AND ABATTOIR LICENSING AND INSPECTION; ETC

Municipal Health Services (Environmental Health Services) are rendered on behalf of the Sedibeng District Municipality by means of a Service Level Agreement as from 1 July 2004.

The main functions rendered by this section are the following;

- Monitoring of Water Quality
- Food Safety and Hygiene monitoring
- Waste Management and general Hygiene monitoring
- Surveillance of premises (Ventilation; Moisture proofing; Structural Safety etc.
- Control and Monitoring of Communicable and Environmental related Disease
- Vector Monitoring and Control
- Environmental Pollution control
- Disposal of the Dead: Paupers; Cemeteries; Funeral Undertakers etc.
- Chemical Waste: Radiation, Safe Energy-use & transportation of radioactive Waste

Functions that were previously conducted by the Provincial Department of Health (Government Buildings, including Provincial schools, Police Stations, Mortuaries, Forensic laboratories, hospitals and Correctional Services.), have been delegated to the District municipality in terms of the National Health Act, Act 61 of 2003.

A Certificate of Compliance on food outlets is issued to premises that comply with the minimum Health Requirements by Lesedi Local Municipality.

3.30 SERVICE STATISTICS FOR HEALTH INSPECTION

Order	2014/2015 Financial Year		
	Data Element	Value	Comment
1	Pesticide poisoning reported to EHP - new case	0	
2	Noise complaints received – total	2	.
3	Noise complaint resolved within the reporting period	2	
4	Premises inspected for vectors – total	4423	Vector control in done in conjunction with normal inspections of premises
5	Premise inspected for vectors - no infestation	3940	
6	Premises treated for vector infestation	483	Obtained services of Accredited Private Contractor
7	Food poisoning outbreak reported	0	
8	Food samples analysed - total	0	
9	Food sample non-compliant for labelling	21	Notices issued
10	Maize meal/bread flour milling establishment inspected - total	20	
11	Maize meal/bread flour milling establishment inspected - compliant	20	
12	Formal food handling premises - total	158	
13	Formal food handling premises inspected - total	1482	29 Statutory Notices issued
14	Formal food handling premise inspected - compliant	1453	
15	Informal food handling premises - total	202	Spaza shops included
16	Informal food vendors inspected - total	558	
17	Informal food vendor inspected - compliant	541	17 Notices issued
18	Milking Parlours inspected - total	57	
19	Milking Parlour inspected and found to have a COA	23	
20	Milk Samples analysed - total	14	
21	Milk Sample analysed - compliant	13	
22	Domestic water samples analysed - Water service authority	264	
23	Domestic water sample compliant - Water service authority	264	
24	Domestic water samples analysed - Non Water service authority	13	1 Boreholes of LLM & Heidelberg Eggs
25	Domestic water sample compliant - Non Water service authority	2	
26	Notifiable water-borne disease reported to EHP - new case	0	
27	Tobacco premises inspected regarding legislation - total	3940	

Order	2014/2015 Financial Year		
	Data Element	Value	Comment
28	Tobacco premises inspected regarding legislation - compliant	3940	
29	Funeral Undertaker premises - inspected	38	
30	Funeral Undertaker premises - compliant	38	
31	Inspections conducted at schools in respect of Potable Water - total	56	Private school & Public Schools
32	Inspections conducted at schools in respect of Potable Water - compliant	56	
33	Inspections conducted at schools in respect of sanitation - total	56	
34	Inspections conducted at schools in respect of sanitation - compliant	56	
35	Public health facilities inspected in respect of potable water - total	72	
36	Public health facility inspected in respect of potable water - compliant	72	
37	Public health facilities inspected in respect of sanitation - total	72	
38	Public health facility inspected in respect of sanitation - compliant	72	
39	Correctional Services inspected in respect of potable water - total	12	
40	Correctional Service inspected in respect of potable water - compliant	12	
41	Correctional Services inspected in respect of sanitation - total	12	
42	Correctional Service inspected in respect of sanitation - compliant	12	

3.31 PROJECTS/PROGRAMS IMPLEMENTED DURING REPORTING PERIOD

EVENT	DATE	PURPOSE
1. Mandela Day Celebration	18 July 2014	Lesedi Environmental Health practitioners, HIV Co-Ordinator, Social Worker together with the SANDF visited Ratanda Day Care to spend their 67 minutes helping out at the centre.
2. Mandela Day Celebration	23 July 2014	<p>Lesedi Environmental Health Practitioners together with the National Development Agency visited 4 Early Childhood Development Centres in Ratanda namely: Lehae la bana, Bathobile, Ratanda Bambanani and Lindokuhle3 day care Centres.</p> <p>Toys, food parcels, carpets, and books were donated to those ECD's. All members celebrated by performing story reading, singing, and playing with the children.</p>
3. Women's Health & Wellness Event	29 August 2014	Environmental Health Practitioners, HIV Co-Ordinator and Social Workers celebrated Women's Health and awareness by giving presentations on issues affecting women in South Africa
4. Arbour Day Celebration	05 September 2014	<p>Lesedi Environmental Health Practitioners organized an event at Nomnekana Primary School by inviting the Ward Councillor of the area, Ward Committee Members, Water Wise Team from Rand Water and Lesedi Parks section based at Impumelelo, to form part of stakeholders at the event.</p> <p>Rand Water Wise Team did a show on water preservation. They brought their Water Wise Character Puppet called Manzi to demonstrate the dances and the song to the children. After their show they asked the scholars questions on water preservation and also gave them rand water lanyards as a token of appreciation for listing to their presentation.</p>
5. Food Safety Workshop	30 September 2014	The aim of the workshop was to educate the youth of Ratanda on Food safety issues
6. World Food Day	16 October 2014	<p>Lesedi Environmental Health Practitioners organized the event and invited the Ward Councillors, Veterinary Public Health, Food Security from Department of Agriculture, Dietician and Health Promoter from Department of Health to form part of the event</p> <p>The aim of the event was to educate the community members on food safety, the importance of nutrition and healthy eating. Diabetes and high blood pressure are currently silent killers in our</p>

EVENT	DATE	PURPOSE
		communities and most of the silent killers are due to bad eating habits. Lesedi EHP's targeted those community members that handles and sells food on daily basis.
7. Early Childhood Development Institute	18 October 2014	Discussion on ECD Development in Lesedi.
8. Waste Awareness Campaign	20 November 2014	The aim of the awareness was to sensitise the community of Ratanda on waste management and recycling initiatives in order to minimise illegal dumping in Ratanda and to improve the environment.
9. Funeral Parlour's Information Session	21 January 2015	The aim of the session was to educate the owners of funeral parlours on the regulations governing their business and the necessary documentation needed by the municipality.
10. Scope of Practice (Environmental Health)	31 January 2015	The aim of this workshop was to educate the youth of Ratanda on the scope of practise of Environmental Health and how best they can use this service.
11. Water Week Celebration	18 March 2015	<p>The purpose of the Programme was to make the community aware of the importance of water as well as to ensure that people understand that this natural resource is under severe stress. Lesedi Local Municipality celebrated water week by focusing on the challenges faced by the municipality which includes:</p> <ul style="list-style-type: none"> • Pollution compliance; • Storm water ingress; • Leakages report; • To restore and preserve water; • To manage water in an effective and sustainable manner, and • Reporting of unlawful usage of water, dumping of agricultural, industrial and sewerage waste in rivers.
12. Food Safety information Session	25 April 2015	The purpose of the workshop was to educate Ward Coordinators on Food Safety.

PROJECTS

Adopt an ECD campaign by NDA
Kago ya bana and Hollard Foundation

Objectives

To mobilise government, private sector, local and international donors to increase resource flows to the ECD sector.

To identify and profile ECD sites in predetermined areas of Ratanda to access financial and non-financial resources to improve the overall quality of ECD provision by:

Create a database of public and private donors who have made significant investments in the ECD sector.

- Profile indigent ECD sites in Ratanda
- Link ECD sites with potential donors.
- Provide program management support for beneficiary sites.
- Provide a platform to dialogue on resource flows to the ECD sector.

Health Inspection and ETC Policy Objectives Taken From IDP					
Service Objectives	Outline Service Targets	2013/14		2014/15	
		Target	Actual	Target	
Service Indicators		Previous Year		Previous Year	Current Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)
Service Objective: Inadequate health, social and environmental services in the outlying and rural areas as well as a lack of youth development, entrepreneurial and skills					
Food Safety	Inspection of food handling/ processing premises	1000	863	1000	1482
	% of Food Premises issued with COA in terms of R 962	100	94%	94%	95%
Waste Management	% Premises adhering to waste standards (Health)	1	89%	89%	91%
Disposal of the Dead including Pauper	Funeral Undertakers and cemeteries complying with legislative requirements	1	86%	86%	92%
Water Quality	% Bacteriological Water samples complying with legislative standards	90%	99%	99%	100%

LESEDI LOCAL MUNICIPALITY

Financial Performance 2014/14 : Health Inspection and ETC					
					R'000
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2 963	3 600	3 625	3 859	6.45%
Expenditure:					
Employees	2 657	2 877	3 528	3 514	-0.40%
Repairs and Maintenance	–	2	–	–	–
Other	595	3 974	3 487	434	-87.55%
Total Operational Expenditure	3 252	6 851	3 487	434	-87.55%
Net Operational Expenditure	3 252	6 851	7 015	3 948	-43.72%

Capital Expenditure 2014/15 : Health Inspection and ETC					
					R' 000
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	100	–	–	–	
Upgrading of SPCA buildings	100	–	–	–	

Capital projects is not a norm within Environmental Health services. Environmental Health Services, is a pro-active service, striving to prevent any negative health impact to occur.

The main objective of the service is to provide a safe and healthy environment to the residents. The service is rendered on a SLA on behalf of Sedibeng District and is funded by Sedibeng District Municipality that receive funding from National Treasury, to render the service.

3.32 SAFETY AND SECURITY

The Municipal Systems Act provides for the local government to promote a safe and secured environment to the communities. When communities do not feel safe and live in fear, the country's socio- economic development and the people's well-being is affected. The traffic and public safety section has the primary goal of protecting and serving the public.

The municipality needs to work closely with all state and non-state bodies to establish the community's needs and develop strategies to improve safety. It is necessary to move from a narrow law enforcement approach to crime and safety with an emphasis on identifying and resolving the root cause of crime. To achieve this goal, the traffic section is mobilizing a wide range of state and non-state organizations at all levels, shifting to an integrated approach, with active citizen involvement and co-responsibility. This section has identified agencies and institutions across government departments, civil society and the private sector that are best placed to contribute towards the lawlessness and crime prevention. The Public Safety section is working closely with the following role-players, amongst others:

- SAPS
- Community Police Forums
- Gauteng Traffic Police
- Department of Justice and Prosecutions
- Department of Home Affairs
- Private Sector
- Road Traffic Management Corporation
- Non- Governmental Organization
- Faith- Based Organizations

TRAFFIC RELATED CRIME

- Speed offences
- Barrier lines
- Driver fitness
- Vehicle fitness
- Documentation
- Drunken driving

3.33 TRAFFIC

Road traffic policing centers on all activities which reduce, deter or prevent the occurrence of all accidents by,

- ensuring effective and efficient law enforcement,
- monitoring of relevant infrastructure as well as strategic interventions where and when necessary, and
- providing supportive traffic control services with the vision to secure a safe road environment where the community can confidently use all roads in Lesedi municipality without fear for damages, injury or death.

The fundamental duties of the traffic section is to ensure the free flow of traffic, traffic control at accident scene as well as ensuring compliance to traffic legislation.

TOP KEY PERFORMANCE AREAS OF THE TRAFFIC DEPARTMENT

1. Traffic law enforcement was achievable through conducting amongst others:

- Joint operations
- Speed law enforcement
- Static roadblocks
- Sporadic roadblocks
- Selective patrolling
- Saturation patrols

2. Escorts are provided for the following events/ occasions

- Funerals,
- On road sport activities,
- Abnormal loads,
- VIP's.

3. Point duties

This is the provision of static traffic control at strategic points as and when the need arises, e.g. vehicle broken down in the middle of the road, permanent/ temporary road closure, etc.

4. Road Safety Education and Awareness.

The Traffic department has embarked on the educational and awareness campaign in schools and to the community at large. The process entails educating school children about scholar patrol, pedestrians' safety, crossing the road safely, cycle safety, child in traffic, etc.

5. Community Safety Forum

- A coordinated and holistic approach to safety and security was launched by the municipality.

This was achievable through conducting amongst others:

- Joint operations
- Speed law enforcement
- Static roadblocks
- Sporadic roadblocks
- Selective patrolling
- Saturation patrols

2. Escorts

- This service is provided for the following events/ occasions
- Funerals
- Racing
- Abnormal loads
- VIP's.

3. Point duties

This is the provision of static traffic control at strategic points as and when the need arises, e.g. vehicle broken down in the middle of the road, permanent/ temporary road closure, etc.

4. Road Safety Education and Awareness.

The Traffic department has embarked on the educational and awareness campaign in schools and to the community at large. The process entails educating school children about scholar patrol, pedestrians' safety, crossing the road safely, cycle safety, child in traffic, etc.

5. Community Safety Forum

A coordinated and holistic approach to safety and security was launched by the municipality. This was done in conjunction with a whole range of other role-players within the municipal area. Civil society organisations and civic participation were identified as the critical elements of the safety aspect.

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OVERALL TRAFFIC PERFORMANCE June2014 – July 2015

- Roadblocks - 26
- Joint Operations - 29
- Traffic Fines Issued - 81344
- Escorts - 116
- Point Duties - 73
- Scholar Patrol Training - All registered schools
- Road safety awareness campaigns-8

Traffic Services objectives taken from IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Service Objective:						
Traffic and Public Safety					-	-
	Escorting of funerals to combat traffic(Needs driven)%	100%	100%	100%	100%	100%
	Escort heavy vehicle through town(Needs driven)%	100%	100%	100%	100%	100%
	Training of scholar patrols at Primary schools	13	13	13	14	14
	Roadblocks	12	12	12	14	26
	Point duties(Needs driven)%	100%	100%	100%	100%	100%
	Speed law enforcement	300	256	256	80000	81344
	Joint Operations	8	8	8	8	29
	Road safety awareness	8	8	8	8	8

Employees: Traffic Officers					
Job Level	2013/2014	2014/2015			
Police	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Traffic Chief	1	1	1	0	0
Other Police Officers	0	0	0	0	0
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	1	1	1	0	0
10 - 12	10	10	10	0	0
13 - 15	3	4	3	1	25%
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	15	16	15	1	6%

Financial Performance 2014/2015 : Traffic Services					
					R'000
Details	2013/2014	2014/2015			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	4 668	2 403	5 166	30 294	89%
Expenditure:					
Police Officers					
Other employees	4 426	8 123	6 324	6 301	-0.36%
Repairs and Maintenance	134	216	12	9	-25%
Other	6 800	6 577	10 398	10 235	-1.57%
Total Operational Expenditure	11 360	6 793	10 410	10 227	-14%
Net Operational Expenditure	11 360	14 916	16 734	16 536	-1.18%

3.34 FIRE AND RESCUE

The Fire Brigade Services Act no 99 of 1987 and its related amendments gives mandate to municipalities to render the fire services to prevent and fight fires in the municipality's jurisdiction.

The Fire & Rescue services are dedicated to the protection of life, property and rendering humanitarian service. This section deals with fire safety inspections, risk analysis, conduct business inspections and public places to ensure compliance, sensitize and educate the community about fire related incidents. It further extends its services regarding Public Information Education Relations sessions at schools, businesses and at the level of the community.

The Centralized Communications Centre (CCC) deals with non-emergency and emergency calls. All complaints are then referred to relevant departments. The Centre operates on 24 hour basis.

Fire Service Data				
	Details	2013/2014	2014/2015	
		Actual No.	Estimate No.	Actual No.
1	Total fire calls attended to	455	N/A	257
2	Total of other incidents attended to	13	N/A	189
3	Average turnout time - urban areas	1.19min	3min	1.34min
4	Average turnout time - rural areas	1.19min	3min	1.34min
5	Fire calls attended(Needs driven)	100%	100%	100%
6	Motor vehicles accidents attended	100	100	341
7	Hazardous Material Incidents responses	5	5	16
8	Fire Prevention Inspections done	70	70	78
9	Fire Hydrants serviced and maintained	80	80	100

The average turnout time for rescue and emergency calls was under 3 minutes standing at 1.19 minutes and the average response time to emergencies was less than 20 minutes standing at 16 minutes. A total of 21 Public Information Education Relations sessions were conducted for businesses with the primary objective to educate them on fire safety. A total of 100 fire hydrants were inspected. Three hundred and fifty five motor vehicle accidents were attended to.

Fire Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2013/2014		2014/2015		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Service Objective: Inadequate safety, security and emergency services in the outlying areas						
	a) Inspection of hydrants	a) 132	a) 132	a) 132	a) 132	a) 100
	b) Servicing of fire extinguishers	b) 121	b) 121	b) 121	b) 121	b) 275
	c) Turnout time	c) 1.34 min	c) 1.34 min	c) 1.34 min	c) 1.34 min	c) 1.19 min
	d) Response time	d) 16 min	d) 16 min	d) 16 min	d) 16 min	d) 16 min
	e) Scrutinizing of building plans	e) 436	e) 436	e) 436	e) 436	e) 346

LESEDI LOCAL MUNICIPALITY

Employees: Fire Services					
Job Level	2013/14	2014/2015			
Fire Fighters	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Fire Officer & Deputy	N/A	1	1	0	0
Other Fire Officers	N/A	0	0	0	0
0 - 3	N/A	1	1	0	0
4 - 6	N/A	4	4	1	25
7 - 9	N/A	27	20	7	26
10 - 12	N/A	8	6	4	50
13 - 15	N/A	3	2	1	33
16 - 18	N/A	0	0	0	0
19 - 20	N/A	0	0	0	0
Total	41		38	5	0

Financial Performance 2014/2015 : Fire Services					
					R'000
Details	2013/2014	2013/2014			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	143	92	11	119	-29%
Expenditure:					
Fire fighter					
Other employees	6 105	8 267	9 004	8 504	-3%
Repairs and Maintenance	200	85	467	0	0%
Other	871	852	356	597	70%
Total Operational Expenditure	6 976	9 204	9 827	9 101	99%
Net Operational Expenditure	6 834	8 307	9 816	8 982	-8%

Even though disaster management will be implemented at local level, the Council does not budget for the service as in terms of Powers and Functions (Municipal Structures Act), Disaster Management is a District function.

Animal Licensing has been overseen due not having by-laws in place. We do however have an agreement with our local SPCA to assist us with problematic animals. In addition to this support, we have a close working relation with State Veterinary Services addressing animal health.

No public nuisances were experienced during the reporting period but will such situations be handled under the operational budget as in terms of the MFMA, Council is not allowed to budget for possible incidents.

3.35 SPORT AND RECREATION

Sport and recreation is drawn directly from Schedule 4 and 5 of the Constitution of the Republic of South Africa, 1996. These schedules describe the functional areas of provincial legislative competence. Part A includes provincial sport as a competence of provincial departments of sports and Part B lists local sport and recreational facilities as an area where SACR has a role in supporting and monitoring local authority.

The municipality recognizes the fact that residences within its borders have vast talents in sports and wants to give formal recognition to those who excel locally. The focus is on the following adopted codes by Minister of Sport:-

The imposition of the seven priority codes (Netball, Football, Cricket, Rugby, Athletics, Boxing and Aquatics).

Seven priority codes are part of the developmental programme adopted in order to open up opportunities to and expose communities to different codes which were not readily available or familiar to their environment various. Projects in this regard are as follows:-

Sport Development: Focus area:

Increase the professional and skilled human resource capacity required to deliver school, recreational and competitive events and:

Increasing the number and performance of athletes by nurturing and developing identified talent and high performance talent.

In order to arrive and achieve the above strategic objective, ward games were contemplated in the form of ward competitions.

3.36 SPORT AND RECREATION

Ward games

Business plan compiled and submitted to private sector for sponsorships and no responses received. The business plan has been submitted to SACR and SALGA working committee for consideration.

OR. Tambo Inter-Municipal Municipal Games: Participated Sport in (19) sporting codes.

Sports against HIV and AIDS: Participated in four sporting codes namely Football, Netball, Volleyball and Pool.

Mayors Sports Awards: Twelve teams that performed best in the different tournaments and associations, received awards in the form of trophies and medals.

Arts and culture

Carnival Event: Sixty four participants participated in the Soweto Carnival organized by department of Sport, Arts, Culture and Recreation.

Capital Expenditure 2014/15 : Sport and Recreation					
					R' 000
Capital Projects	2014/2015				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	–	–	–	–	–
Sports field Impumelelo (Devon)	–	808	0	0%	-

LESEDI LOCAL MUNICIPALITY

No capital projects were undertaken in Lesedi but the municipality is involved in assisting in terms of project facilitation since the sites where projects are implemented belong to the municipality. The projects are captured on the Lesedi IDP and were approved by lottery through application submitted by Sedibeng District Municipality on behalf of the municipality namely:-

- Impumelelo sport facility
- KwaZenzele Sport Facility;
- Jameson Park Sport facility.

Variance of R10 million is required to complete the project. An application for additional funding is being compiled and submitted to NLDTF for consideration. Project in terms of the latter was construed in phases informed by community priorities. The first phase project is anticipated to be completed in December 2015.

LESEDI LOCAL MUNICIPALITY

Service backlogs experienced by the Community where another sphere of Government is the service provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
No backlogs	N/A	N/A
Housing:		
Ratanda Ext. 8	238	Medium
Ratanda Ext. 3	190	Medium
Ratanda Ext. 2	100	Medium
Simphiwe	100	Medium
Impumelelo	130	Medium
Kwazenzele	31	Medium
Jamesonpark Informal Settlement	145	Medium
Driemanskaap	24	Medium
Langzekooigaat	64	Medium
Obed Nkosi	5700	Medium
Licencing and Testing Centre:	-	-
No backlogs	-	-
Reservoirs	-	-
N/A	-	-
Schools (Primary and High):	-	-
No backlogs	-	-
Sports Fields:		
Impumelelo	1	Medium
Heidelberg Ext. 23 & 26	1	Medium
Obed Nkosi	1	Medium

3.40 CORPORATE POLICY OFFICES AND OTHER SERVICES

Corporate Services Department is central to the governance in the Municipality. Corporate Service in the main is expected to provide the following support services to Municipal Departments:-

- Human Resources
- ICT
- Facilities Management
- Secretariat
- Legal
- Security
- Records Management

3.41 EXECUTIVE AND COUNCIL

Council members have been elected by an electorate to make decisions on their behalf regarding service delivery within the municipality. Thus, the council has the responsibility to oversee the executive actions of the appointed officials acting on its behalf. The Mayoral Committee is appointed to assist the council in formulating guidelines (policies) for operation; to monitor the operations of the appointed officials; and to evaluate results on behalf of Council.

The Accounting Officer and other HODs are appointed to manage the administration of the municipality.

Financial Performance 2014/15 : The Executive and Council					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Expenditure:					
Employees	14 923	19 368	15 902	15 757	81%
Repairs and maintenance	1	0	0	0	0%
Other	17 009	8 779	3 675	21 869	-49%
Total Operational Expenditure	31 933	28 146	12 227	37 626	-34%

As required by the Municipal Systems Act, (Chapter 6 – Section 38) a Performance Management System is in place and the Municipal Performance on both the Strategic and Operational were measured during the 2014/2015 Financial Year. A new Performance Management System was implemented with the assistance of Provincial COGTA.

The performance outcome in terms of the municipal performance as a whole, were as follows:-

The performance outcome in terms of the municipal performance as a whole, were as follows:-

Community Services:

The Department performed reasonably above average, however there is some room for improvement. There is also a need to refine the Department's strategy as it is currently focused on operational performance. The fire and traffic services performance is acceptable however there is no clout at the outcomes level.

Corporate Services:

The Department of Corporate Services focused on organisation re-engineering in the 2014/15 financial year, given the state of the municipal systems the department also paid special attentions to its system and processes hence the average performance in Municipal Transformation. To build capacity the Department accelerated its internship programme which resulted on the increase on performance for Local Economic Development perspective.

The core function of the Department is Human Resource Management, coordinating the convening of Council meetings, driving communication and ICT. Overall performance on these was satisfactory for 2014/15 financial year.

Local Economic Development and Planning

During the 2014/15 financial year the overall performance for the department was above average. Resources were invested in economic development hence the above average performance. The IDP was refined and re-aligned in the last quarter and the LED strategy also needs refinement. Challenges which impede the service delivery perspective are the slow implementation of the housing sector plan caused by various challenges and the need to revive the urban core which is largely dependent on the implementation of infrastructure projects by Infrastructure Services.

Infrastructure Services

LESEDI LOCAL MUNICIPALITY

Operations and maintenance is still a challenge in the Municipality, this coupled with the under capacitated Project Management Unit.

Cable electricity and water theft pose a serious challenge to the department as it becomes very costly to maintain the infrastructure. During the year under review the department's key focus was on developing strategies to address the challenges mentioned above. The overall performance for the department during the 2014/15 financial year was average.

Finance Department

The overall performance for Finance Department during the 2014/15 financial year was above average. Despite the Departments just above average performance there was great achievement made under basic service delivery in this case focuses on water and electricity loss reduction. The Revenue Enhancement Committee was established to implement the strategies for improving revenue.

Overall Organisational Performance 2014/2015 Financial Year		
Mid-Term	Annual	
63%	64%	

3.42 FINANCIAL SERVICES

There was no capital projects budgeted for the financial services department during the financial year as per the IDP. All capital projects were for the infrastructure department.

Debt Recovery					
R' 000					
Details of the types of account raised and recovered	2013/14		2014/15		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %
Property Rates	54 805	88%	84 661	84 459	89.7%
Electricity	180 967	88%	235 574	216 219	89.7%
Water	56 653	88%	72 251	70 209	89.7%
Sanitation	16 393	88%	20 507	20 711	89.7%
Refuse	20 302	88%	25 412	25 598	89.7%
Other	3 795	88%	3 456	1 150	89.7%

Financial Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2014/15		2014/15		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Service Objective:						
Reduce water and electricity losses and theft	Number of meter audits conducted	0	0	0	2824	10800
Basic Service Delivery	Number of indigent households receiving free basic electricity	2000	2000	2000	3000	4337
Increase revenue generation	Development of financial turnaround plan	0	0	0	Turnaround plan developed	Turnaround plan developed
Financial viability	Debt recovery time	0	0	0	5	6

Job Level	2013/2014	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	30	30	30	0	0%
7 - 9	3	3	3	0	0%
10 - 12	7	9	8	1	11%
13 - 15	2	2	2	0	0%
16 - 18	1	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	45	46	45	1	2%

Financial Performance 2014/15 : Financial Services					
					R'000
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Expenditure:					
Employees	9 971	17 466	13 755	13 659	-0.70%
Repairs and Maintenance	1	0	0	0	-0%
Other	37 258	51 061	33 382	28 146	-15.68%
Total Operational Expenditure	47 230	68 527	47 137	41 805	-11.31%

There was no capital projects budgeted for the financial services department during the financial year as per the IDP. All capital projects were for the infrastructure department.

3.43 HUMAN RESOURCE SERVICES

With regards to Human Resources we have seen great improvement in terms of policy development as critical HR Policies were developed and reviewed, amongst others the following key policies: namely; Leave Management Policy; Recruitment Policy; Code of Conduct and Disciplinary Procedure. We have also improved our systems with regard to payroll, with the intention of eliminating the Auditor General findings which have been recurring over a number of years.

The only critical position that is vacant is that of the CFO who has since resigned.

The Workplace Skills Plan (WSP) was successfully completed and training commenced in August 2014 in line with the institution's Human Resources Development (HRD) Strategy

The following training /learnership programmes were conducted during 2014/2015;

- Generic Management Learnership-20 staff members
- Project Management- 9 staff members
- Ornamental Horticulture learnership – Unemployed 40 – Employed 80
- Plumbing & Electricity Artisans Skills Training -40 staff members
- End User Computing-22 staff members
- CPMD completed at Wits -14 staff members (Management level)
- Tractor Driver Training - 20 learners
- Internships on LED, IDP, Environmental Health, Safety and Security (Grant)
- Horticulturist for parks (Grant)
- Local Economic Development learnership – Unemployed 10 – Employed 7
- Fire and Rescue learnership - Unemployed 13 – Employed 22
- Records Management learnership – Unemployed 14 – Employed 19
- Roads Maintenance learnership - Unemployed 22 – Employed 32
- Herbicide Training Short Skills Programme – 20 Staff members
- Brush cutter Operation Short Skills Programme – 20 Staff members
- OHS Committee Member Training – 10 members
- Traffic Learnership – 10

Human Resource Services Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	2013/14		2014/2015		
		Target	Actual	Target		Actual
Service Indicators		Previous Year		Previous Year	Current Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Municipal transformation and institutional development						
Improve organisation knowledge	Number of section 57 positions filled as per organogram annually	6	6	6	6	5
Optimise systems administration and operating procedures	Percentage of internal ICT calls logged and resolved.	100%	100%	100%	100%	100%
	Average number of days taken to finalise internal disciplinary hearings from date of the filing of the misconduct/grievance	0	0	0	90	90
	Implementation of the South African Local Government Bargaining Council disciplinary procedure and code collective agreement.	100%	100%	100%	100%	100%

Employees: Human Resource Services					
Job Level	2013/14	2014/2015			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	1	1	2	0	0%
10 - 12	3	3	1	0	0%
13 - 15	1	1	2	0	0%
16 - 18	0	1	0	1	1%
19 - 20	0	0	0	0	0%
Total	5	6	5	1	17%

Financial Performance 2014/15 : Human Resource Services					
R' 000					
	2013/14	2014/15			
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total operating revenue	1 954	4 268	1 450	1 493	35%
Expenditure:					
Employees	2 439	6 768	3 500	3 244	48%
Repairs and Maintenance	3	5	2	5	100%
Other	6 290	3 510	3 148	6 346	-80%
Total Operational Expenditure	8 732	10 283	6 650	9 595	93%

3.44 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT is playing an increasingly strategic role as an enabler of public service delivery. To enable leadership to embrace this role, we have aligned to the Department of Public Service and Administration Corporate Governance of ICT. This governance framework covers management processes, organizational structures, roles and responsibilities amongst others.

The ICT Steering Committee is in place and functioning well. The Committee determines, priorities and recommends plans, policies, strategies, resource requirements, portfolios of ICT projects and risk management. The following ICT recommendations and reports were reviewed and approved by the ICT Steering Committee:

- ICT Capability Assessment report provides a view of the Municipality processes and capabilities that supports the Business Departments. Assessed capabilities that we are focusing on include: how ICT's value contribution to the business is planned, managed and assessed; strategy and Planning; resource management, relationship management and service delivery.
- Recommendation to maintain Inter Governmental Relations with Ekurhuleni Metropolitan Municipality (EMM) to share ICT resources. This offers an opportunity for us to speed up improvement of our ICT maturity level.
- ICT policies covering a wide range of ICT areas including Physical & Logical Security, Acceptable ICT Use and Disaster Recovery Process /Business Continuity Process were approved by the ICT Steering Committee, and Council structures.
- The ICT Master System Plan which includes a prioritized portfolio of ICT investments; Application implementation plan, network connectivity rollout plan and inclusion in Ekurhuleni Digital City Project and Architecture.

Formal relationships are maintained with all major ICT Service Providers. Contracts, SLAs and performance are reviewed and managed.

The stability and integrity of our ICT systems has improved together with better management of resources and communication.

Disaster Recovery Process has been tested for all critical systems.

Employees: ICT Services					
Job Level	2013/14	2014/15			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	1	4	1	3	75%
10 - 12	1	3	1	2	67%
13 - 15	0	2	1	1	50%
16 - 18	0	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	2	10	4	6	60%

A Chief Information Technology Officer commenced work in Mar 2015. Three vacant positions have been outsourced. Other vacancies will be filled in the 2015/2016 financial year.

Financial Performance Year 2014/15: ICT Services					
R' 000					
	2013/14	2014/15			
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1 016	–	–	26	100%
Expenditure:					
Employees	694	1 991	1 165	1 321	66%
Repairs and Maintenance	36	51	41	25	49%
Other	6 878	3 390	4 583	7 649	-26%
Total Operational Expenditure	7 608	5 432	5 789	8 995	-66%
Net Operational Expenditure	6 592	4 392	5 328	8 969	-04%

Capital Expenditure 2014/15 : ICT Services					
R' 000					
2014/15					
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total	617	1374	1 099	-78%	
Computer Hardware	617	877	684	78%	684
Telephone System	–	337	337	100%	337
Software	–	160	78	100%	78

3.45 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

The Legal division handles all Municipal legal matters. Depending on the merits of each matter a decision may be taken to outsource. We are in the process of gazetting by-laws to ensure that the risks associated with litigation are minimized.

Facilities division was established to ensure efficient and effective management of municipal properties.

Gauteng Provincial Treasury assisted the Municipality in providing risk management services.

The municipality strive to provide efficient procurement services to its internal services in line with Supply Chain Management Policy.

Financial Performance 2014/15: Property; Legal; Risk Management and Procurement Services					
R'000					
Details	2013/14	2014/15			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	94	14	7	5	36%
Expenditure:					
Employees	4 503	5 711	5 508	6 009	-5%
Repairs and Maintenance	85	100	0	7	7%
Other	4 265	5801	6 336	4 418	76%
Total Operational Expenditure	8 853	11 612	11 844	10 434	90%
Net Operational Expenditure	8 759	11 598	11 837	10 429	90%

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2013/14	2014/15			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	31	51	46	5	9.8%
Waste Water (Sanitation)	40	75	75	1	1.33%
Electricity	47	56	46	10	17.88%
Waste Management	48	31	31	0	-
Housing	7	16	13	3	18.75%
Waste Water (Stormwater Drainage)	0	0	0	0	-
Roads	48	50	49	1	2%
Transport	0	0	0	0	-
Planning	15	17	16	1	5.88%
Local Economic Development	6	7	7	0	0%
Planning (Strategic & Regulatory)	0	0	0	0	-
Community & Social Services	192	228	213	15	6.58%
Environmental Protection	0	0	0	0	-
Health	10	8	8	1	12.5
Security and Safety	0	0	0	0	-

LESEDI LOCAL MUNICIPALITY

Sport and Recreation	2	5	4	1	2%
Corporate Policy Offices and Other	103	141	124	17	12.06
Total	549	685	632	53	7.74%

Vacancy Rate – 2014/15 Financial Year			
Designations	Total Approved Posts	Vacancies (Total time that vacancies exist using fulltime equivalents)	Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0
CFO	1	1	1
Other S57 Managers (excluding Finance Posts)	4	0	0
Other S57 Managers (Finance posts)	N/A	N/A	N/A
Police officers	N/A	N/A	N/A
Fire fighters	19	0	0%
Senior management: Levels 13-18 (excluding Finance Posts)	30	24	80.00
Senior management: Levels 13-18 (Finance posts)	7	1	14.29
Highly skilled supervision: levels 9-12 (excluding Finance posts)	88	18	20.45
Highly skilled supervision: levels 9-12 (Finance posts)	13	2	15.38
Total	163	33	20.25

Turn-over Rate 2013/14– 2014/15 Financial Year			
Period	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate
2012/13	628	202	32%
2013/14	562	137	24%
2014/15	592	148	25%

Appointments of Executive Managers

- The CFO is a vacant
- The Executive Manager Corporate Services is Mr. Khongi Molohlanye who commenced duties on the 24 June 2013.
- The Executive Manager Community Services is Mrs. Cynthia Mokoena who commenced her duties on the 1 July 2013.
- The Executive Manager for Infrastructure Services is Mr. Isaac Rampedi who commenced his duties on 01 September 2013.
- Mr. Jabu Marwa is the Executive Manager for LED and Planning who commenced his duties on February 2014.

Turnover:

- One-hundred and forty-eight (148) new appointments were filled, including temporary and contractual people.
- Forty-three (43) resignations was received
- Seven (7) people went on pension
- Six (6) people passed on
- Two (2) people absconded
- Fifty-nine (59) Contracts ended
- One (1) person declared medically unfit (4) still awaiting process from pension fund to be finalised.

MANAGING THE MUNICIPAL WORKFORCE

Policies have been developed such as:-

- Recruitment
- Leave Policy
- Overtime Policy
- Disciplinary Agreement
- EAWP Policy and OHS Policy as a Code Of Conduct

HR Section also embarked on reviewing the organisational structures all stakeholders were consulted and had opportunities to give inputs it was handed over to Administration for publication to Council for final approval.

Job description started to ensure signed job description is placed on personal files and it is being reviewed for resubmission to the SALGA Provincial Audit Committee.

The following committees were established the Employment Equity Committee, the OHS Committee, the HR Development Committee and the Job Evaluation Committee have been established.

The SALGA Generic Job Evaluation Policy has also been sent for adoption and implementation.

All new appointments are being vetted for qualifications and for criminal checks.

All new Section 57 (now 56's) are sent for competency tests and that is given to the MM and the panel.

4.2 POLICIES

All policies relevant to Human Resources have been reviewed and implemented in the year under review.

The LLF is fully functional and it served to the Senior Management Team then to LLF then to Section 80 and then finally to Council.

A HR Policy Road show has been embarked upon to train and share the information of the policies to all staff.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number of days and Cost of Sick Leave (excluding injuries on duty) – 2013/14 Financial Year

Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post	Average sick leave per Employees
	Days	%	No.	No.	Days
Lower skilled (Levels 1-2)	610	25%	56	284	2.14
Skilled (Levels 3-5)	768	25%	66	197	3.8
Highly skilled production (levels 6-8)	441	20%	40	74	5.9
Highly skilled supervision (levels 9-12)	449	5%	37	101	4.4
Senior management (Levels 13-15)	216	2%	16	68	3.1
MM and S57	6	0%	6	6	0.1
Total	2381	22%	165	730	19.5

Municipality has been operating without taking into account the health and safety issues. This year we have prioritized safety of employees by taking the following steps as an intervention:-

An assessment of the working environment was conducted and a status report was compiled.

- Health and safety policy developed
- Health and Safety Committee was established and members have been trained.
- A position of Employee Wellness practitioner has been created
- Injury on Duty Policy (IOD) was developed as a guidance tool.

A road show was conducted in order to workshop staff on the importance of safety in the work place.

With regards to sick leave, the trends and tendencies are being monitored by the HR Administrator through a monthly report sending it to supervisor's making them aware of the trends and prompting them to find out reasons for such and to intervene.

Performance Counselling are conducted in instances where serious trends are being picked up before disciplinary action are implemented to ensure corrective action are taken

Number and Period of Suspensions – 2014/15 Financial Year			
Position	Nature of Alleged Misconduct	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Manager	Gross_Misconduct	The employee was dismissed and she referred the matter to Bargaining Council	Pending

CAPACITATING THE MUNICIPAL WORKFORCE

The skills audit was conducted and finalized as part of the Re-Engineering Project. The report highlighted a number of gaps which needs to be addressed. Plans are in place to enroll staff members into different programmes based on their levels. Partnerships are also being forged with local colleges, e.g. Sedibeng College to design and implement special curricular based on the Skills audit outcome.

According to the Treasury Regulations and the Municipal Systems Act Section 54A's and 56's needs to have certain competencies and qualifications as well as senior managers and financial officials in this regard the HR Section ensured to adhere to the Treasury Regulations sending officials to complete the Municipal Finance Management Program or CPMD at Wits .

Shortages of skills were addressed by training of the electrical general workers as artisans as water and sanitation staff as plumbers.

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2014/15	Number of skilled employees required and actual as at 30 June 2014/15											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of 2012/13	Actual: End of 2013/14	2014/15 Target	Actual: End of 2011/12	Actual: End of 2012/13	2014/15 Target	Actual: End of 2011/12	Actual: End of 2012/13	2014/15 Target	Actual: End of 2012/13	Actual: End of 2013/14	2014/15 Target
MM and s57	F	1	0	0	0	0	0	0	1	0	1	0	0	1
	M	5	0	0	0	0	3	0	0	2	5	0	0	5
Councillors, senior officials and managers	F	8	0	0	0	0	0	0	4	0	4	0	0	4
	M	14	0	0	0	0	0	0	3	0	3	0	0	3
Technicians and associate professionals*	F	12	10	0	0	5	0	0	0	0	15	0	0	15
	M	102	63	0	0	60	0	0	0	0	103	0	0	103
Professionals	F	8	0	0	0	0	0	0	5	0	8	0	0	8
	M	14	0	0	0	0	0	0	10	0	12	0	0	12
Sub total	F	29	0	0	0	0	0	0	0	0	0	0	0	0
	M	135	0	0	0	0	0	0	0	0	0	0	0	0
Total		328	73	0	0	65	3	0	22	2	150	0	0	151

MANAGING THE WORKFORCE EXPENDITURE

The workforce expenditure is monitored closely and in the year under review the expenditure was kept within the required rate. The newly developed organisational structure is also within 20% and 24% of the norm. There is prioritisation of filling of positions taking into consideration the ever changing patterns in revenue.

4.6 EMPLOYEE EXPENDITURE

As a result of the re-engineering process there were upward movements on the grades of employees through the implementation of task grading which has been completed.

CHAPTER 5 – FINANCIAL PERFORMANCE

The municipality realized a surplus of R4, 3 million for the financial year and this was mainly due to the implementation of credit control and debt collection policy and the improved financial management within the municipality.

Employee Costs - 20% of total operating expenditure. This is 10% below the expected norm of 30% mainly due to vacancies during the financial year.

Repairs and maintenance costs - 3% of total expenditure. This appears very low when compared to expected norm and was in line with the budget for the financial year.

Finance charges and impairment costs - 13% of total expenditure. Debt impairment for the year amounted to R58.7 million and at an average collection rate of 88% for the financial year; 2% ahead of target of 88%. This was an improvement of R23.2 million from the prior financial year and was driven by rigorous implementation of the credit control and debt collection policy during the financial year. Debt impairment is driven by payment of services by the municipality's consumers

The municipality spent 66% of its Capital expenditure. 99% of all grants were spent except for the Municipal Infrastructure Grant (MIG) of R26 million. R16 million was transferred to the municipality and spent in full, however R10 million was arbitrarily not transferred to the municipality during March 2014 by National Treasury with them citing slow spending of the grant during the financial year. After various consultation meetings with the intervention of the Provincial Treasury, National Treasury committed to returning the funds to our municipality during the 2014/15 financial year through their adjustment budget processes.

Of the own funded Capital expenditure the municipality spent 80.2% (R9 million) compared to a budget of R11, 3 million. This was in line with the collection rate of 88% for the financial year as own funded projects depend on the extent to which the municipality is able to collect its revenue.

STATEMENTS OF FINANCIAL PERFORMANCE

The municipality realized a surplus of R4.3 million for the financial year and this was mainly due to a substantial improvement on the impairment of consumer debtors which has decreased by 28% from the prior year [i.e. from R81,963,434 (2012/13) to R58,741,130 (2013/14)]. This improvement is equated to the implementation of the credit control and debt collection policy and the increase in the number of indigent households.

Distribution losses gave mixed messages as the municipality was able to curb electricity distribution losses compared to the previous financial year, from 20% (R30,299,367) during the 2012/13 to 14% (R21,523,139) during the current financial year. Contrary to electricity distribution losses, water distribution losses worsened from 20% (R6, 472,464) during the 2012/13 to 22% (R9,354,862) during the current financial year. The municipality has a substantial asbestos pipes in Heidelberg and this is the main contributor to the high water distribution losses, whilst for electricity, we remain with high level of illegal connections.

The water distribution losses are considered to be within the norm of 30% and for electricity are considered to be higher than the norm of 10% to 13%.

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
R' 000						
Description	2013/14	Current: 2014/15			2014/15 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance:						
Property rates	62 278	73 200	84 661	84 459	13%	-0.24%
Service charges	312 429	362 582	354 765	333 927	-9%	-6%
Investment revenue	8 946	3 760	9 594	11 520	67%	17%
Transfers recognised - operational	79 435	91 364	82 988	84 718	-8%	2%
Other own revenue	14 807	12 762	7 011	6 727	-90%	-4%
Total Revenue (excluding capital transfers and contributions)	468 949	543 668	539 019	521 351	-4%	-3%
Employee costs	100 178	147 509	128 383	128 403	15%	-0.02%
Remuneration of councillors	7 840	8 185	8 185	8 433	-3%	-3%
Depreciation & asset impairment	58 741	51 018	59 295	75 844	-33%	-22%
Finance charges	38 151	34 054	38 026	40 867	-17%	-7%
Materials and bulk purchases	10 417	6 084	7 084	11 478	-47%	-38%
Transfers and grants	200 319	207 281	208 481	217 375	-5%	-4%
Other expenditure	0	0	0	0	0%	0%
Total Expenditure	86 260	90 079	92 298	110 918	-19%	-17%
Surplus/(Deficit)	501 905	544 209	541 752	593 318	-9%	-5%
Transfers recognised - capital	8 467	33 995	54 094	33 210	-2%	-63%
Contributions recognised - capital & contributed assets	51 822	32 037	51 825	58 164	-45%	-11%
Surplus/(Deficit) after capital transfers & contributions	–	0	0	16 840	-100%	-100%

Financial Summary						
R' 000						
Description	2013/14	Current: 2014/15		2014/15 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Share of surplus/ (deficit) of associate	60 289	66 032	105 919	91 374	28%	-16%
Surplus/(Deficit) for the year	–	0	0	0	0%	0%
Capital expenditure & funds sources					0%	0%
Capital expenditure	36 365	43 350	43 350	34 079	-21%	-21%
Transfers recognised - capital	20 383	43 350	43 350	34 079	-21%	-21%
Public contributions & donations	–	0	0	0	0%	0%
Borrowing	–	0	0	0	0%	0%
Internally generated funds	15 981	18 500	12 286	3 498	-81%	-71%
Total sources of capital funds	36 365	61 850	55 636	55 019	-11%	-1.1%
Financial position						
Total current assets	65 481	0	0	81 290	n/a	n/a
Total non-current assets	939 805	0	0	795 234	n/a	n/a
Total current liabilities	107 181	0	0	112 627	n/a	n/a
Total non-current liabilities	70 393	0	0	69 599	n/a	n/a
Community wealth/Equity		0	0		n/a	n/a
Cash flows						
Net cash from (used) operating	65 022	77 334	57 298	34 639	n/a	n/a
Net cash from (used) investing	-50 670	-62 493	-55 563	-38 227	n/a	n/a
Net cash from (used) financing	-6 512	-2 698	-1 387	-2 596	n/a	n/a
Cash/cash equivalents at the year end	14 432	15 429	2 323	8 248	n/a	n/a

Financial Summary						
R' 000						
Description	2013/14	Current: 2014/15		2014/15 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Cash backing/surplus reconciliation						
Cash and investments available	14 432	15 429	2 323	8 248	n/a	n/a
Application of cash and investments					n/a	n/a
Balance - surplus (shortfall)	14 432	15 429	2 323	8 248	n/a	n/a
Asset management						
Asset register summary (WDV)	876 524	996 194	996 194	596 747	n/a	n/a
Depreciation & asset impairment	35 982	35 498	35 982	36 436	n/a	n/a
Renewal of Existing Assets	–	0	0	0	n/a	n/a
Repairs and Maintenance	20 992	18 500	15 800	15 422	n/a	n/a
Free services						
Cost of Free Basic Services provided	29000	34 429	35 728	10 437	n/a	n/a
Revenue cost of free services provided	29000	34 429	35 728	10 437	n/a	n/a
Households below minimum service level						
Water:	0	0	0	0	n/a	n/a
Sanitation/sewerage:	0	0	0	0	n/a	n/a
Energy:	0	0	0	0	n/a	n/a
Refuse:	0	0	0	0	n/a	n/a

5.2 GRANTS

R' 000						
Description	2012/13	2013/14		2013/14 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	62 776	61 951	61 951	61 951		
Equitable share	59 701	64 253	64 253	64 253	100.00%	100%
Municipal Systems Improvement	1 000	890	890	890	100.00%	100%
Department of Water Affairs	149	–	–	–	0.00%	0%
Levy replacement		–	–	–	0.00%	0%
Finance Management	1 250	1 300	1 300	1 222	6.00%	6%
EPWP Incentive	676	1 300	1 324	1 324	100.00%	100%
Provincial Government:	7 065	6 534	5 676	6 267		
Health subsidy	1 937	2 787	2 787	1 645	41%	41%
Housing		–	–	–	0.00%	0%
Ambulance subsidy		–	–	–	0.00%	0%
Sports and Recreation	3 956	2 447	1 147	2 880	100.00%	100%
Agriculture	1 172	1 300	1 742	1 742	134.00%	134%
District Municipality:	–	310	310	310		
Taxi Ranks		310	310	310	100.00%	100%
					0.00%	0%
Other grant providers:	–	–	–	–		
[insert description]						
Total Operating Transfers and Grants	69 841	68 795	67 937	68 528	104%	101%

All transfers and grants received for the year have been spent for the purposes they were received for where conditions were attached.

No grants were received from other sources.

5.3 ASSET MANAGEMENT

Asset Management remains a concerning area for the municipality mainly due to undue reliance on consultants and lack of capacity that would ensure the transfer of skills by consultants. An Asset Management unit would be established in finance lead by a manager in the next financial year 2013/14.

Treatment of the three largest assets acquired year 2013/14	
Electricity	
Name	Electricity network
Asset Type	Infrastructure
Key Staff Involved	Electrical engineers
Asset Value	R8,976,458
Capital Implications	None
Future Purpose of Asset	Service delivery
Describe Key Issues	None
Policies in Place to Manage Asset	Asset management policy
Roads	
Name	Roads
Asset Type	Infrastructure
Key Staff Involved	Engineers
Policies in Place to Manage Asset	Asset management policy.

New projects were undertaken in the year under review mainly electricity network and roads. Others have been put on hold due to limited funds but will resume in the year under review.

Repair and Maintenance Expenditure: 2014/15				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	18,557	18,474	24,475	-25

Repairs and maintenance expenditure was reduced due cash constraints during the financial year.

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Employee Costs - 20% of total operating expenditure. This is 10% below the expected norm of 30% mainly due to vacancies during the financial year.

Repairs and maintenance costs - 3% of total expenditure. This appears very low when compared to expected norm and was in line with the budget for the financial year.

Finance charges and impairment costs - 13% of total expenditure. Debt impairment for the year amounted to R58.7 million and at an average collection rate of 88% for the financial year; 2% ahead of target of 88%. This was an improvement of R23.2 million from the prior financial year and was driven by rigorous implementation of the credit control and debt collection policy during the financial year. Debt impairment is driven by payment of services by the municipality's consumers.

SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE

The municipality spent 66% of its Capital expenditure. 99% of all grants were spent except for the Municipal Infrastructure Grant (MIG) of R26 million. R16 million was transferred to the municipality and spent in full, however R10 million was arbitrarily not transferred to the municipality during March 2014 by National Treasury with them citing slow spending of the grant during the financial year. After various consultation meetings with the intervention of the Provincial Treasury, National Treasury committed to returning the funds to our municipality during the 2014/15 financial year through their adjustment budget processes.

Of the own funded Capital expenditure the municipality spent 80.2% (R9 million) compared to a budget of R11,3 million. This was in line with the collection rate of 88% for the financial year as own funded projects depend on the extent to which the municipality is able to collect its revenue.

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources:-1 to year 0						
	Year -1	Year 0				
Details	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	-	-	-	-	-	-
Public contribution donation	-	-	-	-	-	-
Grants and subsidies	28 075	10 467	9 601	3 498	-63.57%	-66.58%
Other	90 790	32 037	61 362	51 520	-19.10%	-32.82%
Total	37 154	42 504	70 963	55 018	-22.47%	29.44%
Percentage of finance	-	-	-	-	-	-
External loans	-	-	-	-	-	-
Public contribution donations	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	-	-
Other						
Capital Expenditure	-	-	-	-	-	-
Water and sanitation	4 900	4 000	3 020	24	-99%	-99%
Electricity	6 372	7 000	21 200	19 937	35%	-6%
Housing	0	0	880	263	-100%	-70%
Roads and stormwater	25 709	30 387	40 054	29 629	-3%	-35%
other	5 024	3 567	9 131	5 165	31%	-77%
Total	42 005	44 954	74 285	55 018	18%	-35%

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

R' 000					
Name of Project	Current: 2013/14			Variance: Current Year14/15	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Roads Lesedi	29 587	36 037	29 629	0%	100%
Bulk Supply: 6000 stands (Obedi Nkosi)		13 700	13 030	60%	100%
Electrical Reticulation	7 000	7 000	6 907		
Road Resealing		3 530	6 772		
Upgrade Water Network	3 500	2 520	24		
* Projects with the highest capital expenditure in Year 14/15					
Name of Project - A	Roads Lesedi				
Objective of Project	Infrastructure development				
Delays	Funds/Technical expertise				
Future Challenges	Maintenance				
Anticipated citizen benefits	Accessible roads in Lesedi				
Name of Project - B	Bulk Supply: 6000 stands (Obedi Nkosi)				
Objective of Project	Infrastructure development				
Delays	Funds/Technical expertise				
Future Challenges	Faulty meters				
Anticipated citizen benefits	Electricity supply				
Name of Project - C	Electrical reticulation				
Objective of Project	Infrastructure development				
Delays	Funds/Technical expertise				
Future Challenges	Bypassing of electricity meters				
Anticipated citizen Benefits	Electricity supply				
Name of Project - D	Road resealing				
Objective of Project	Infrastructure development				
Delays	Funds/Technical expertise				
Future Challenges	Maintenance				
Anticipated citizen Benefits	Accessible roads in Lesedi				
Name of Project - E	Upgrade water network				
Objective of Project	Infrastructure development				
Delays	Funds/Technical expertise				
Future Challenges					
Anticipated benefits	Water supply				

There were two capital projects in the 2013/2014 financial year, upgrading of bulk supply for Obed Nkosi (electrification) and upgrading of gravel roads in Heidelberg extension 23 and 26. On the upgrading of bulk supply for Obed Nkosi, switchgear panels at Ratanda substation were upgraded and 2,7 km feeder cables installed.

On the upgrading of gravel roads, 4,5km of gravel roads were upgraded to paved roads and 2km storm water system was constructed.

Internally funded projects were deferred due to financial constraints.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Large amounts of infrastructure investments are required over the short term (5 to 10 years) to address the basic services backlog. Critical bulk water, sanitation and electricity infrastructure are needed for key economic and residential development.

Due to insufficient cash flow emanating from low revenue collection rate in the previous years, maintenance and refurbishment backlogs have accumulated. It is evident that the municipal needs are significant and current budget cannot meet these needs.

Service Backlogs as at 30 June 2014-July 2015				
Description	Households (HHs)			
	Service level above minimum standard		Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	43001	97	1290	3
Sanitation	43001	90	4300	10
Electricity	43001	90	4300	10
Waste management	43001	83	7310	17
Housing		%		%

CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality realized a decreased in cash flows from operations of R34.6 million during the current financial year compared to R65 million in the prior year. A net cash outflow of R38.2 million was also realized with most of it being directed towards the purchase of property, plant and equipment. A net cash outflow of R2.6 million was realized from financing activities and together they contributed to net cash outflow of R6.2 million for the financial year but when compared to the opening bank balance of R14.4, the result is a positive cash position of the municipality amounting to R8.2 million as at 30 June 2014.

This indicates that although financial sustainability was a risk, it is not at an unacceptable level whereby the municipality would be unable to continue as a going concern.

5.9 CASH FLOW

Cash Flow Outcomes				
R'000				
Description	2013/14	Current: 2014/15		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Cash flow from operating activities				
Receipts				
Sale of goods and services	273 162	325 163	304 802	358 537
Grants	111 945	119 133	134 814	145 095
Interest income	8 946	3 760	412	11 521
Payments				
Employee costs	(107 253)	(155 694)	(136 569)	(132 492)
Finance charges	(10 416)	(6 084)	(7 084)	(11 478)
Suppliers	(302 936)	(297 360)	(300 141)	(378 833)
Net cash from/(used) operating activities	(26 552)	(11 082)	(3 766)	(7 650)
Cash flows from investing activities				
Purchase of property plant and equipment	(35 524)	(45 654)	(63 059)	(54 175)
Proceeds from sale of property plant and equipment	1 436	-	-	-
Proceeds from sale of investment property	(2 510)	-	-	-
Purchase of other intangible assets	(1 630)	-	-	(844)
Proceeds from sale of intangible assets	-	-	-	-
Net cash from/(used) investing activities	(38 228)	(45 654)	(63 059)	(55 019)
Cash flows from financing activities				
Increase in other financial liabilities	-			
Repayment of financial liabilities	(2 596)	(2 818)	(2 823)	(2 823)
Repayment of short term loans	-	-	-	-
Net cash from/(used) financing activities	(2 596)	(2 818)	(2 823)	(2 823)
Net increase/ (decrease) in cash held	(6 184)	3 440	(6 128)	10 728

Cash Flow Outcomes				
R'000				
Description	2013/14	Current: 2014/15		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
Cash/cash equivalents at the year begin:	14 432	984	8 246	8 248
Cash/cash equivalents at year end:	8 248	4 424	2 118	18 976

5.10 BORROWING AND INVESTMENTS

The municipality only borrowed funds from the Development Bank of South Africa and this are loans that were concluded in previous financial years.

No new borrowing facilities were concluded during the financial year. Investments are made with various banking institutions based on a favourable interest rate and they are largely driven by the conditional grant funding where funds are only withdrawn when certain conditions of the grant are met.

Municipal and Entity Investments			
			R' 000
Investment type	2012/13	2013/14	2014/15
	Actual	Actual	Actual
Securities - National Government	-	-	-
Listed Corporate Bonds	-	-	-
973 166Deposits - Bank	12 430 047	5 135 220	18 973 166
Deposits - Public Investment Commissioners	-	-	-
Deposits - Corporation for Public Deposits	-	-	-
Bankers' Acceptance Certificates	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

The annual financial statements and annual report (inclusive of the performance report) were submitted to the Auditor-General of South Africa (AGSA) on 31 August 2014. The AGSA commenced with the annual audit during August 2014 and completed the audit in November 2014. The management and audit reports were issued at an event organized by the AGSA attended by our Executive Mayor, the Municipal Manager and Chief Financial Officer on 2 December 2014.

AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS Year -1

6.1 AUDITOR GENERAL REPORTS YEAR -1 (PREVIOUS YEAR)

The municipality had an unqualified opinion with other matters from the Auditor-General of South Africa.

AUDITOR-GENERAL OPINION YEAR 0 (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR 0

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:

The municipality welcomed another unqualified opinion with other matters from the Auditor-General of South Africa.

The Final Management Report is attached as Annexure A of this report.

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer).....Dated

6.3 ACTION PLANS TO ADDRESS AG FINDINGS

No.	Finding	Action Plan
1.	Ticket fines are not sequentially numbered.	Ticket fines to be sequentially numbered and to open a register for ensuring that correct financial performance is reflected in order to ensure that accurate financial information is disclosed.
2.	No proper supporting documents for traffic fines.	Supporting documents to be filed in line with the ticket issued and to ensure that a register is kept.
3.	Assets (books) found not in good working condition.	Library inspections to be conducted twice a year in order to ensure that damaged books are written off and removed from the asset register.
4.	New Employees not undergoing the vetting process.	To ensure that background checks and proper vetting on all new appointments performed before candidates assume their duties.
5.	Prior approval not obtained before leave is taken.	To ensure that prior approval of vacation leave for employees is obtained before an employee goes on leave in order to ensure that management allocates tasks effectively based on the availability of employees.
6.	Overtime exceeding 40 hours per month.	Monitoring of overtime worked to ensure that it does not exceed 40 hours per month.
7.	Prior approval not obtained on overtime worked.	To ensure that employee obtain a written authorisation from the relevant line Manager prior to overtime worked.
8.	Lease agreement documents not submitted.	To keep supporting documents or information for all the items impacting the financial records.
9.	Service level performance monitoring.	Develop and implement an IT service provider performance monitoring process, including an IT service provider register with contract details.
10.	Information security policy.	Review, revise, approve and implement the current information security and IT usage policies.
11.	Inadequate user access management on active directory and financial applications.	Review the user Access Management Policy and Procedures to include procedures for password resets.
12.	Program change management documentation.	Review and approve the current change control policy in order to ensure that it is current and applicable to the changing IT environment at the LLM.
13.	IT Service Continuity.	To develop, adopt and implement a back-up strategy and to ensure that the DRP is tested. To ensure that the DRP include a section on frequency of disaster recovery testing.
14.	Disaster recovery testing.	To ensure that the business continuity and IT Disaster Recovery Plans are tested. To ensure that the DRP include a section on frequency of disaster recovery testing and this will be addressed three months after the date of reporting.
15.	Non-disclosure of fruitless expenditure.	A register of interest and penalties will be developed by the Expenditure Unit and be updated quarterly.

No.	Finding	Action Plan
16.	Amount confirmed as per bank confirmation does not agree to amount as per financial statements.	A formal bank confirmation would be requested from the banks annually.
17.	Invoices not paid within 30 days.	To decrease expenditure and increase cash collection in order to pay within 30 days.
18.	VAT Incorrectly recorded or omitted from recording.	To monitor financial system to ensure that it correctly allocates VAT for both VAT vendors and non VAT vendors.
19.	Suppliers in which persons in service of other state institutions have an interest.	Management to communicate with service providers and implement penalties for false declarations submitted to the municipality. The penalty would include the removal of the service providers from our supplier database. To also inform their employers so that they can indicate their false declarations to the municipality. To conduct verification with crosscheck before an award is made.
20.	Regulation 32 of Supply Chain Management.	Development and implementation of the procurement procedure manual. To verify with the other organs of state before appointment of service providers in terms of Regulation 32.
21.	Incomplete and inaccurate contract register.	Automation and monitoring of the contract register to ensure accuracy and completeness.
22.	Consultant's performance not properly monitored.	Development of a contract registers to monitor the performance of consultants on a quarterly basis. Development and implementation of a consultancy reduction plan.
23.	SCM Contract awarded to incorrect supplier.	The municipality to appoint a panel of service providers for the procurement of goods and services.
24.	No evidence that the bids specifications were approved by the accounting officer prior to publication of the invitation of bids.	The SCM Office will ensure that going forward all the specifications for bids are approved by the Accounting Officer.
25.	The register of bids received on time and bid results are not published on the website of the municipality.	To ensure that all bids received are published on the websites.
26.	Procurement and contract management.	Updating and monitoring of the contract register.
27.	Approved requisition forms for issued stock could not be submitted for audit purpose.	Reconciliation of requisitions to be conducted and filed daily.
28.	Declaration of interest (MBD4) not completed by suppliers.	The supplier will be provided with a supplier registration form to update their current information. This will include the MBD4 Form (Declaration of Interest).
29.	Material misstatements identified and corrected in the financial statements.	Mid-year financial statements would be prepared and presented to SMT by end of February 2015 and the audit committee. Thereafter quarterly financial

No.	Finding	Action Plan
		statements would be prepared leading to the financial year-end.
30.	Misstatements identified and corrected in the financial statements.	Mid-year financial statements would be prepared and presented to SMT and the audit committee. Thereafter quarterly financial statements would be prepared leading to the financial year-end.
31.	Reasons for adjusting approved budget not disclosed in the annual financial statements.	Mid-year financial statements would be prepared and presented to SMT and the audit committee. Thereafter quarterly financial statements would be prepared leading to the financial year-end.
32.	Assets that could not be verified.	Asset verification will be conducted and assets that cannot be verified will be removed from the asset register and be written off.
33.	Asset not in good working condition.	Assets that are not in good working condition will be impaired in line with the requirements of the Asset Management Policy.
34.	Assets register not complete.	The asset register will be monitored throughout the financial year to ensure that all assets are included with details of their location and department.
35.	Assets not verified by management.	The asset register will be monitored throughout the financial year to ensure that all assets are included with details of their location and department.
36.	Monthly Reconciliations of the asset register not performed.	The position of the Manager: Assets and Insurance will be filled to ensure that the unit is capacitated and operates optimally.
37.	Lease agreement documents not submitted.	To keep supporting documents or information for all the items impacting the financial records.
38.	Budget not aligned to IDP and SDBIP.	To ensure that budget is aligned to the IDP and SDBIP.
39.	Approval of incomplete applications for indigents.	To amend the indigent application form.
40.	Completeness of rental income disclosed in the AFS.	<ul style="list-style-type: none"> To appoint a service provide who will be assisting in data cleansing. Develop a Rental Stock Policy. Review of the rental stock. Conduct weekly inspections on municipal properties.
41.	Revenue CAATs.	<ul style="list-style-type: none"> To ensure that all households are billed for all services. Perform monthly reconciliations. To clear the suspense accounts.
42.	Understatement of interest received in the AFS.	A formal bank confirmation would be requested from the banks annually.
43.	Annual Performance Report submitted for audit not reviewed by audit committee.	Submission of the Annual Performance Report for review by the Audit and Performance Committee before it can be submitted to Council.
44.	Reports not submitted for audit purpose.	To submit audit reports to the Municipal Council twice a year.

No.	Finding	Action Plan
45.	Predetermined objectives - Consistency of objectives indicators and targets.	To review the portfolio of evidence submitted by Executive Managers in order to verify whether they are consistent with the planned objectives.
46.	Accuracy, validity and completeness of reported information.	To ensure that a complete set of accurate record is maintained by conducting quarterly reviews on the performance management information submitted by Executive Managers.
47.	Mid-year performance assessment not adequately reported.	To monitor and evaluate the performance information in order to ensure that it's adequately reported.
48.	Revised SDBIP not made available to the public within 10 days after approval of the adjusted budget.	To ensure that the approved revised SDBIP is made available to the public within 10 days.
49.	Shortcomings identified on road infrastructure performance management.	<ul style="list-style-type: none"> • Compile and approve a policy for the planning, management and reporting of the road infrastructure. • Review and approve a maintenance plan which clearly indicates the strategy to be followed for the financial year. • Review the roads and stormwater master plan. • Acquire Automated Maintenance Management System.
50.	Licenses for land fill site.	<ul style="list-style-type: none"> • To discontinue dumping on unauthorized site. • Acquire licenses to rehabilitate the dumping site and establish new Landfill.
51.	As disclosed in note 53 to the financial statements, material losses amounting to R21,523,139 (2012-13: R30,299,367) were incurred as a result of electricity distribution losses which represent 14% (2012-13: 20%) of total electricity purchased. The total technical losses of electricity amounted to R2,787,634 (2012-13: R1,696,795). Non-technical losses amounted to R18,735,505 (2012-13: R28,602,572) and are due to theft, tampering and faulty meters.	Implementation of smart-metering and time-of-use tariffs on commercial customers. Metering of Protea Hostel. To continue conducting meter audits and disconnections of services.

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
sCost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key Performance Areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
	FT/PT				
Cllr TS Moremi (Speaker of Council)	FT	Chair of Council	PR	79%	21%
Cllr LF Maloka (Executive Mayor)	FT	Chair of the Mayoral Committee	PR	85%	15%
Cllr LL Batsege	PT	Infrastructure Development and Cooperate & Legal Section 80	Ward 4	71%	29%
Cllr M Boshof	PT	Petition, Cooperate & Legal and LED & Planning	PR	93%	7%
Cllr GL Coetzee	PT	MPAC (DA Chief whip)	Ward 10	78%	22%
Cllr RCA Eberwein	PT	Community Services and LED & Planning Section 80	PR	93%	7%
Cllr RS Hlatshwayo	PT	Community Services and LED & Planning Section 80	PR	57%	43%
Cllr JM Lekala	PT	Community Services and Infrastructure Development Section 80	PR	71%	29%
Cllr ST Makhubu	FT	MMC Community Services Section 80	PR	78%	22%
Cllr RS Loubser	PT	MPAC and Finance	Ward 8	28%	72%
Cllr BA Simelane	PT	Infrastructure Development and	Ward 12	85%	15%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non-attendance %
	FT/PT				
		Legal & Cooperate Section 80			
Cllr SD Mkhwanazi	PT	MPAC (Chairperson)	Ward 6	71%	29%
Cllr MP Mtshonyane	PT	Petition/LLF/Finance Section 80	Ward 1	78%	22%
Cllr LJ Mokoena	PT	Finance and Community Services Section 80	Ward 2	85%	15%
Cllr MA Mulder	PT	Petition, LLF and Finance Section 80	PR	85%	15%
Cllr J Phahlane	PT	MPAC and LED & Planning	Ward 7	64%	34%
Cllr MK Rakitla	PT	Petition, Finance and Community Services Section 80	Ward 11	100%	0%
Cllr TE Ramothibe	PT	MPAC and LED & Planning Section 80	Ward 3	78%	22%
Cllr G Holtzhausen	PT	MPAC, LED & Planning and Legal & Cooperate	Ward 9	50%	50%
Cllr SM Sibeko	FT	MMC Infrastructure Development	PR	100%	0%
Cllr TS Tsoku	FT	MMC Finance	Ward 5	93%	7%
Cllr EM Dlamini	PT	MPAC (ANC Chief whip)	PR	100%	0%
Cllr A Mokonane	FT	MMC Cooperate and Legal	PR	78%	22%
Cllr NK Vilakazi	PT	LLF and Legal & Cooperate Section 80	Ward 13	64%	34%
Cllr VA Madonsela	FT	MMC Development & Planning	PR	71%	29%
Cllr MNR Nkosi	PT	Infrastructure Development	PR	85%	15%

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Petitions Management Committee	To deal with community petitions (grievances) to harness community involvement in shaping the municipality performance
Municipal Public Accounts Committee	To conduct oversight on the executive performance of the municipality
Section 80 Committees	To develop service provision mechanism for the municipality
Audit Performance Committee	To conduct oversight on the performance of the Municipality
Remunerations Committee	To determine salary increases and bonuses for Section 54 and 56 employees
Fraud and Corruption Committee	To assess the potential of risk and where possible protect the reputation of the municipality
Assessment Committee	To assess the pre-determined targets and objectives of SDBIP
Risk and Management Committee	To manage the risk and audit queries
Political Management Committee	To develop overarching strategic direction of the municipality

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Executive Mayor	Cllr Lerato Maloka
Manager Office of the Mayor	Ms Malekola Melato Madlamini
Office of the Municipal Manager	
Municipal Manager	Ayanda Makhanya
Senior Manager: Monitoring & Reporting	Bakedi Kgwete
Manager Internal Audit	Lizo Ndabeni
Corporate Services	Khongi Molohlanye - Executive Manager
Manager Administration	Sipho Zwane
ICT Manager	Billy Mashiya
Finance - Acting CFO	Sindi Zukani
Budget and Reporting Manager	Gugulethu Mncube
Manager Expenditure	Magda Lawrenson
SCM Manager	Paul Malgas
Revenue and Credit Control Manager	Sindi Zukani
Infrastructure Services	Isaac Rampedi- Executive Manager
Manager Roads and Stormwater	Maureen Thekiso
Senior Manager Electrical	Jackie Chauke
Manager Waste	Star Mololobela
Community Services	Cynthia Mokoena - Executive Manager
Sports, Arts, recreation, Libraries, parks	Solly Sibaya
Manager Safety and Security	Meshack Makhubu
Manager Health and Social Services	Corrie Verster
LED and Planning	Jabu Marwa - Executive Manager
Manager LED	Thami Gorati
Manager Regional and Town Planning	Tshepo Malekane

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

MUNICIPAL FUNCTIONS	Municipal / Entity Functions	
	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	Yes	n/a
Building regulations	Yes	n/a
Child care facilities	Yes	n/a
Electricity and gas reticulation	Yes	n/a
Firefighting services	Yes	n/a
Local tourism	Yes	n/a
Municipal airports	No	n/a
Municipal planning	Yes	n/a
Municipal health services	Yes	n/a
Municipal public transport	Yes	n/a
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	n/a
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	Yes	n/a
Stormwater management systems in built-up areas	Yes	n/a
Trading regulations	Yes	n/a
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	n/a
Beaches and amusement facilities	No	n/a
Billboards and the display of advertisements in public places	No	n/a
Cemeteries, funeral parlours and crematoria	Yes	n/a
Cleansing	Yes	n/a
Control of public nuisances	Yes	n/a
Control of undertakings that sell liquor to the public	Yes	n/a
Facilities for the accommodation, care and burial of animals	Yes	n/a
Fencing and fences	Yes	n/a
Licensing of dogs	No	n/a
Licensing and control of undertakings that sell food to the public	Yes	n/a
Local amenities	Yes	n/a
Local sport facilities	Yes	n/a
Markets	Yes	n/a

MUNICIPAL FUNCTIONS	Municipal / Entity Functions	
	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Municipal abattoirs	No	n/a
Municipal parks and recreation	Yes	n/a
Municipal roads	Yes	n/a
Noise pollution	No	n/a
Pounds	No	n/a
Public places	Yes	n/a
Refuse removal, refuse dumps and solid waste disposal	Yes	n/a
Street trading	Yes	n/a
Street lighting	Yes	n/a
Traffic and parking	Yes	n/a

APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name/Number	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	Cllr MP Mtshonyane. Committee members: Mr Ashler Rade; Ms Puleng Mokobosho; Buti Maseko; Vusi Mbhele; Samuel Mfuphi; Themba Hlophe; Cecilia Morobi; Jabhile Tsotetsi; Pricila Magazi.	Yes	7	7	7
Ward 2	Cllr LF Mokoena Committee members: Thapelo Sekhoto, Wilhemina Visagie, Sam Mabaso, Jeanet Visagie, Thembi Buthelezi, Josia Ndala, Beauty Morajane, Lilian Nhlapo	Yes	2	2	2
Ward 3	Cllr TE Ramothibe Committee members: Sonto Mahlangu, Stanley Khumalo, Batseba Nhlapo, Mtebang Bojabotsega, Gugu Mashinini, Bheki Mkhize	Yes	2	2	2
Ward 4	Cllr L. Batsege Committee: Thabo Seage, Audrey Mohalane, Thuto Motsepe, Bongani Motsepe, Samson Malakwane, Irene Motsile, Mduduzi Nhlapo	Yes	2	3	3

LESEDI LOCAL MUNICIPALITY

Ward 5	Cllr TB Tsoku Committee members:Thembi Gama,Zakaria Minne,Vuyisile Nyawuza,Bonakele Nkomo,Joseph Motaung,Zweli Tshabalala,Busisiwe Bukwana,Mpho Maeli,Jimmy Buthelezi	Yes	2	4	4
Ward 6	Cllr SD Mkhwanazi Committee members:Sindisiwe Ntombela,Petrovah Mashinini,Thapelo Mcira,Sesi Mokhasi,Maria Makhanya,Lucas Mollo,Matshidiso Mphuthi,Teressa Mofokeng	Yes	3	3	3
Ward 7	Cllr J.Phahlane Committee members:Josephina Mofokeng,Joana Mthethwa,Jacob Nku,Nkosana Nhlapo,Delisile Malevu,Zakhele Magagula,Maggy Minne,Nompi Makhoba,Seabi Sekabate	Yes	5	5	5
Ward 8	Cllr RS Loubser Committee members:Stoffer Byleveltdt,FH Jacobs,S.Van Seller,Edna Fouchie,G Padiachy,LP Madigoe,Prudence Kubheka,Sesi Kubheka,Sello Motaung,Ethel Moahlodi	Yes	0	0	0
Ward 9	Cllr G.Haulzhauzen, Committee members: Sue von Sellner,Willem Sprong,Devan Heystek,Marius Gerike,Mike van Nierop,Etienderde	Yes	5	5	1

LESEDI LOCAL MUNICIPALITY

	Prier, Sandra Minnaar, Danie Minnaar.				
Ward 10	Cllr GL Coetzee Committee members: Simphiwe Skosana, Modiehi Moloi, Sibongile Khumalo, Philimon Nkosi, Elliot Nkosi, Johanna Ncala, Kenny Mabitsela, Buyi Skosana, Sarah Mabote	Yes	0	0	0
Ward 11	Cllr MK Rakitla Committee meeting: Alfred Shababngu, Bayanda Radebe, Tsepho Tsotetsi, Teboho Mlangeni, Emily Shabba, Miranda Mokoena, Matseko Mofokeng	Yes	3	1	2
Ward 12	Cllr B. Simelane Committee: Dolly Nkosi, Queen Mkhonto, Lettie Mtweni, Maria Skosana, Pinky Mngwevu, Doctor Sikhonde, Molefe Mkhwebane, Jabulani Nkosi, Solomon Nkosi, Jabulani Mngwevu	Yes	4	5	5
Ward 13	Cllr NK Vilakazi Committee members: Nelly Masuku, Esthr Mahlangu, Buti Nhlapo, Zodwa Magagula, Patrick Ndlovu, Lucky Hlatshwayo, Sesi Motau, Sipho Nhlapo, July Mnguni, Bridgett Moeketsi	Yes	3	3	3

APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2014/15				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value
1.	Obed Nkosi Electrification	July 2014	July 2015	R20 700 000.00
2.	Roads and storm water KwaZenzele	July 2014	July 2015	R15 100 000.00
3.	Roads and storm water Devon/Impumelelo (CRDP)	July 2014	July 2015	R17 000 000.00
4.	Resealing of roads in ward 10	July 2014	July 2015	R3 500 000.00

Top four service delivery priorities for ward (highest priority first)		
No.	Priority Name and Detail	Progress During Year 0
1	Housing provision(ward1,4,5,10,12 and13)	Construction of 300 houses at Obed Nkosi is completed. 956 houses are currently being electrified and ward 12 (township establishment process) and 13(land valuation completed and land procurement negotiations underway).
2	Eradication of bucket system (ward 5)	Bucket system has been eradicated.
3	construction of roads and storm water (ward 10, 12 and 13)	Road construction is underway in ward 12 and 13.
4	job creation initiatives (ward 12 and 13)	CRDP, CWP, EPWP projects.

Top four service delivery priorities for wards (highest priority first)		
No.	Priority Name and Detail	Progress During Year 0
1	Housing provision(ward1,4,5,10,12 and13)	Construction of 300 houses at Obed Nkosi is completed. 956 have been completed and are being electrified. Ward 12: township establishment underway. Ward 13 land valuations have been done and land procurement negotiations are underway.
2	Eradication of bucket system (ward 5)	Bucket system has been eradicated.
3	Construction of roads and storm water (ward 10, 12 and 13)	Road construction is underway in ward 10, 12 and 13.
4	Job creation initiatives (ward 12 and 13)	Comprehensive Rural Development Programme (CRDP) and LED projects.

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0

Audit and performance Committee is in existence in the Municipality. The committee is comprised of the following members :-

- Advocate Moferefere Mochatsi (Chairperson)
- Mandlenkosi Dhladhla (Member)
- Mr Sidwell Mofokeng (Member)
- Joseph Makoro (Member)
- Fezile Makuala (Member)

The committee convened at least four times during the financial year under review as required by legislation.

- 22 January 2014
- 21 May 2014
- 28 August 2014
- 24 October 2014
- 27 November 2014
- 23 January 2015
- 24 April 2015

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

The largest project for 2013/2014 was for Mthembu Mvelase Consortium for R38 000 000, the company was appointed through Regulation 32.

Public, Private Partnership not applicable for the year under review.

APPENDIX I – DISCLOSURES OF FINANCIAL INTERESTS

		Disclosures of Financial Interests	
		Period 1 July to 30 June 2014 (Current Year)	
Position	Name		Description of Financial interests (Nil / Or details)
(Executive) Mayor	Lerato Maloka		Yes
Member of MayCo / Exco	Cllr Tebogo Tsoku		Yes
	Cllr Smangele Sibeko		Yes
	Cllr Vangile Madonsela		Yes
	Cllr Sibongile Makhubu		Yes
	Cllr SFA Mokonane		Yes
Councillor	GL Coetsee		Yes
	LL Batshege		Yes
	R Eberwein		Yes
	JM Lekala		Yes
	MP Mtshonyane		Yes
	M Mulder		Yes
	SH Masina		Yes
	J Phahlane		Yes
	JL Mokoena		Yes
	MNR Nkosi		Yes
	MK Rakitla		Yes
	TE Ramothibe		Yes
	NK Vilakazi		Yes
	RS Loubster		Yes
	E Dlamini		Yes
	GC Holtzhausen		Yes

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	RS Hlatshwayo		Yes
	M. Boshoff		
	TS Moremi		Yes
	SD Mkhwanazi		Yes
	BA Simelane		yes
Municipal Manager	Ayanda Makhanya		Yes
Chief Financial Officer	Success Marota		Yes
Other Sec57 Officials	Khongi Molohlanyae		Yes
	Isaac Rampedi		Yes
	Jabu Marwa		Yes
	Cynthia Mokoena		Yes

Performance Schedule of Service Providers - ICT Service Level Performance Monitoring

SUPPLIER	SYSTEM	DATE STARTED	CONTRACT AMOUNT	END DATE	SKILLS TRANSFERED	HOW YOU RATE YOUR SUPPLIER
Sigma IT	Customer Relation System	Jun-14		Jun-16	Yes, refresher needed	Fair
	Mail Conversion & Domain Registrationa	Jun-14		Jun-16	Yes	Fair
	Master System Plan (MSP) Development	TBC			No	Good
	Intranet Development	TBC			No	Not Done
Meso Group	Document Management System	Jun-14		Jun-16		Fair
	Multifunctional Devices	Jun-14		Jun-16	Yes, refresher needed	Good
Sonke Consulting	Time & Attendance	Jun-14		Jun-16	Yes	Fair
New Dawn Technologies	Voip Telephone Systems	Mar-14		Jun-16	Yes, not satisfactory	Very Poor
Shandukani Technologies	Website Designing	Jun-14	R 24 938.00	Jun-15	No	Good
	Hosting	Jun-14	R 126 000.00	Jun-15	No	Good

APPENDIX J REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description	2013/14		Current: 2014/15		2014/15 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
Vote 1 - Municipal Governance and Administration	138 324 000.00	158 673 000.00	160 641 000.00	165 159 000.00	4%	3%
Vote 2 - Community and Public Safety	17 424 000.00	21 669 000.00	23 267 000.00	18 750 000.00	-16%	-24%
Vote 3 - Economic and Environmental Services	29 521 000.00	26 902 000.00	27 962 000.00	33 436 000.00	20%	16%
Vote 4 - Trading Services	325 096 000.00	370 962 000.00	383 975 000.00	356 497 000.00	-4%	-8%
Total Revenue by Vote	510 365 000.00	578 206 000.00	595 845 000.00	573 842 000.00	-0.76%	-4%

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
Description	2013/14	2014/15			2014/15 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	62 278 000.00	73 200 000.00	84 661 000.00	84 459 000.00	15%	0%
Property rates - penalties & collection charges		-	-			
Service Charges - electricity revenue	205 545 000.00	240 834 000.00	235 574 000.00	216 219 000.00	-11%	-9%
Service Charges - water revenue	64 477 000.00	73 093 000.00	72 251 000.00	70 209 000.00	-4%	-3%
Service Charges - sanitation revenue	18 628 000.00	21 553 000.00	20 507 000.00	20 711 000.00	-4%	1%
Service Charges - refuse revenue	23 069 000.00	25 565 000.00	25 412 000.00	25 637 000.00	0%	1%
Service Charges - other	3 360 000.00	254 000.00	345 000.00	709 000.00	64%	51%
Rentals of facilities and equipment	2 189 000.00	7 724 000.00	3 387 000.00	2 428 000.00	-56%	0%
Interest earned - external investments	1 472 000.00	1 272 000.00	412 000.00	1 039 000.00	-45%	69%

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Revenue Collection Performance by Source						
Description	2013/14	2014/15			2014/15 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Interest earned - outstanding debtors	7 474 000.00	2 488 000.00	9 182 000.00	10 482 000.00	-	-
Dividends received	-	-	-	-	-	-
Fines	4 663 000.00	2 500 000.00	5 000 000.00	4 519 000.00	44%	7%
Licences and permits	58 000.00	91 000.00	5 000.00	41 000.00	-100%	-87%
Agency services	-	-	-	-	-	-
Transfers recognised - operational	79 435 000.00	91 364 000.00	82 988 000.00	84 718 794	-3%	-6%
Other revenue	1 609 023.00	6 231 000.00	1 185 000.00	3 173 197	2%	67%
Gains on disposal of PPE	-	-	-	-	-	-
Environmental Protection	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	474 257 000.00	454 896 364.00	540 909 000.00	524 074 991	15.21%	-3.11%

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

2014/15 Financial Year			
Details	Budget	Adjustment Budget	Actual
Local Government Equitable Share	64 253 000.00	64 253 000.00	64 253 000.00
Finance Management	1 300 000.00	1 300 000.00	1 221 835.00
Municipal Systems Improvement	890 000.00	890 000.00	890 000.00
EPWP Incentive	1 000 000.00	1 000 000.00	1 324 000.00
Provincial Clinics	2 981 547.00	2 786 572.00	1 644 717.00
Sport and Recreation - Libraries Plan	2 455 964.00	2 447 145.00	1 895 959.00
Agriculture	1 300 000.00	1 300 000.00	1 742 122.00
Social Development	250 000.00	-	250 000.00
COGTA	-	1 800 000.00	3 800 000.00
District Health	3 106 208.00	3 106 208.00	2 836 269.00
LG Seta	4 268 000.00	4 268 000.00	154 359.00
Integrated National Electrification Programme	6 150 000.00	6 000 000.00	5 996 860.00
Sport and Recreation - Recapitalisation	1 194 036.00	1 202 855.00	984 497.00
NLDTF/Lotto	-	-	183 671.00
Bottle ke botho	-	-	114 140.00
Tannery	-	-	37 536.00
District taxi ranks	-	-	310 000.00
Total	89 148 755.00	90 353 780.00	87 638 965.00

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG

Rollover was requested and granted on conditional grants received but not spent at 30 June 2015. Namely FMG, Akien plan removal and libraries.

R10m MIG which was due to the municipality was stopped as a result of underspending on the grant, an application to National Treasury was made to have grant reverted back to the municipality and was successful, the funds were transferred back by the end of the 3rd quarter of 2014/15.

APPENDIX M CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - New Assets Programme						
Description	R '000					
	2012/2013	2013/2014			Planned Capital Expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16
Capital expenditure by Asset Class						
Infrastructure - Total	33,445	46,799	43,024	32,128	39,051	36,369
Infrastructure: Road transport - Total	24,170	36,649	31,924	25,708	25,051	26,369
Roads, Pavements & Bridges	24,170	36,649		25,708		
Storm water						
Infrastructure: Electricity - Total	8,223	10,150				
Generation	2,504			5,610		
Transmission & Reticulation	5,719	6,150	6,000	610	10,000	10,000
Street Lighting				151		
Infrastructure: Water - Total						
Reticulation						
Infrastructure: Sanitation - Total						
Reticulation						
Sewerage purification	1,051		5,100	49		
Infrastructure: Other - Total						
Waste Management		4,000			4,000	
Other						
Community - Total	1,614	2,684	3,284	2,647	165	980
Parks & gardens					165	
Sports fields & stadia	196		275	184		
Swimming pools	147					
Libraries	1,219	1,194	1,203	421		
Fire, safety & emergency				465		980

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Capital Expenditure - New Assets Programme						
						R '000
Description	2012/2013	2013/2014			Planned Capital Expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16
Security and policing						
Clinics		1.19	1,163			
Cemeteries		300		1,047		
Other	52		643	530		

LESEDI LOCAL MUNICIPALITY

Capital Expenditure - Upgrade/Renewal Programme						
R '000						
Description	2012/2013	2013/2014			Planned Capital expenditure	
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	2014/15	2015/16
Capital expenditure by Asset Class						
Infrastructure - Total		4.52	4,520		8,000	10.909
Infrastructure: Road transport -Total		4,520	4,520		8,000	10,909
Roads, Pavements & Bridges		4,520			8,500	10
Storm water						
Infrastructure: Electricity - Total						
Street Lighting						
Transmission & reticulation		3,500				
Community						
Clinics		3,190				
Total Capital expenditure by Asset Class		11,210	4,520		16,500	20.99

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

Capital Programme by Project: 2014/2015					
					R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Electricity:					
Obed Nkosi Reticulation	6 150 000.00	6 000 000.00	5 996 860.00	-5,24%	89,7%
Roads:					
Heidelberg roads	26 649 000.00	26 649 000.00	25 875 372.00	-0,029%	-0,029%

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital Programme by Project by Ward: Year 0		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Electricity:		
Obed Nkosi Electrification	Ward 1	Yes
Roads:		
Heidelberg	Ward 11, 7,5	No

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools	None	None	None	None
Clinics	None	None	None	None

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of Backlogs	Impact of Backlogs
Clinics :		
No backlogs	N/A	N/A
Housing:		
Ratanda	238	Medium
Refiloe-Simphiwe	100	Medium
Impumelelo	2500	Medium
Kwazenzele	2000	Medium
Jamesonpark Informal Settlement	40	Medium
Obed Nkosi	4200	Medium
Infrastructure: None	-	-
Sport Facilities: None	-	-

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

The municipality did not make any loans in current financial year.

Appendix L and table 5.6 outlines the grants made by the municipality.

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date/ Details	Number or Percentage Achieved
Output: Improving access to basic services		
	Number of indigent households receiving free basic electricity	1219
	% of capital budget actually spent on capital projects	69%
	Increased households with access to water	93%
	Increased households with access to basic sanitation	93%
	Increased households with access to basic electricity	93%
	Increased households with access to basic solid waste removal	100%
Output: Deepen democracy through a refined Ward Committee model		
Ward Committees	Number of ward committees established out of 13	12
	No of Trainings provided	3
	No of functional Ward committees out of 13	11
	No of monthly ward committee meetings	114
	Percentage of attendance and participation	85%
Public Accountability (IDP implementation feedback)	103 monthly/quarterly ward public meetings	103
	40% to 50% community members attending	50%
Intergovernmental structures	District IGR has been established	
Output: Administrative and financial capability	increased revenue collected VS billed	83%
Debt recovery ratio current consumer debtors/ total credit billings for the year x 365days	Debt recovery ratio (times)	53 days
Outstanding debtors to revenue: current consumer debtors/total billing	Outstanding debtors to revenue ratio (%)	14%
Cash and cash equivalents/ fixed operating cash payments x 365	Cost coverage ratio (days)	14 days
	% of actually budget spent VS projected	99.60%

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date/ Details	Number or Percentage Achieved
	% of suppliers paid within 30 days from date of receipt of the invoice	77%
Output: Implementation of the Community Work Programme		
	<p>The Community Work Programme is funded by COGTA and is rolled out to wards: 1;2;3;4;5;6;7;10;12 and 13 whereby 1100 participants are employed two days a week and eight days a month where they do useful work in the form of community gardens, cleaning of open spaces to discourage illegal dumping, cleaning of schools, providing home-based care and training. In addition two EPWP initiative in the form of eradication of alien vegetation in Uitkyk in Ward 12 which has employed 13 participants and DeHoek in Ward 6 with the employment of thirty two participants. The project is funded by GDARD and the Municipality. Through the Department of Environmental Affairs an Eco-furniture factory has yielded two hundred and six employment opportunities. The programmes are coined around the Extended Public Work Programme model where the following elements are critical:- employment of youth, women, disabled persons, skills transfer, enterprise development and legislative compliance.</p>	1351 employment opportunities